

## INTERIM DISCUSSION OF THE CITY'S FINANCIAL CONDITION

### Statement of Financial Condition

The City of Mansfield, Texas is in solid financial condition as of and through the seven months ending April 30, 2022 of the fiscal year ending September 30, 2022.

### Significant Financial Activity through the Period

- Capital Improvements –
  - Equipment replaced, \$2,073,333
  - Streets, \$2,137,964
  - Fire Station #5 (including land), \$5,856,404, current year - \$70,398
  - Man House renovation, \$1,447,596, current year - \$4,679
  - Police Station, \$1,099,323, current year - \$509,550
  - Library Expansion, \$1,058,577, current year \$905,607
  - Tactical Training Facility, \$1,377,943, current year \$1,232,537

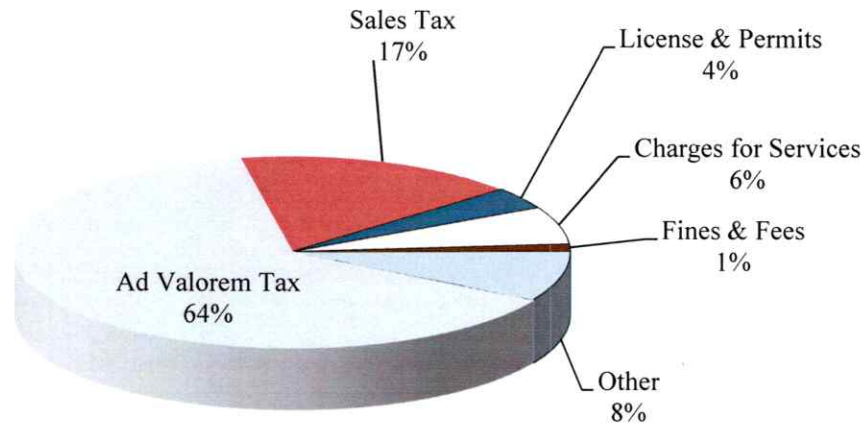
### General Fund Financial Activity

Overall general fund revenue collected as of April 30, 2022 is 81.21% of anticipated collections. Expenditures as of April 30, 2022 are in line with budgeted expectations or 55.99% of the expected expenditures have been spent as of April 30, 2022. As of April 30, 2022 the City's current net assets are at estimated results.

# City of Mansfield, Texas interim unaudited financial report for the month and seven (7) month period ended April, 2022

2022

## General Fund Revenues Allocation of Receipts as of April 30, 2022



## Property Tax Collections

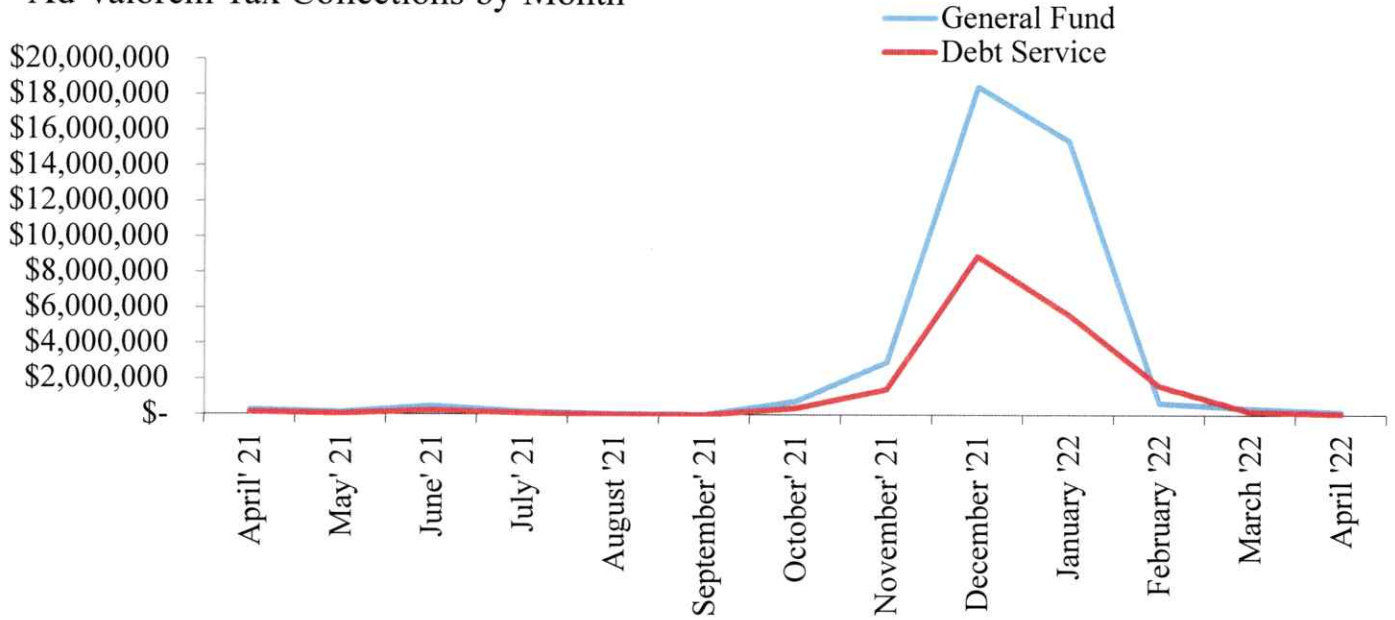
Most of the City's property tax is collected in the first four or six months of the fiscal year as property tax bills are generally due within the first four months of the City's fiscal year. Property tax collections through April 30, 2022 are \$38,318,696. Last year's collections were \$39,484,968 for the same period, a -2.95% decrease over the prior year. The decrease is due to contributions from the General Fund to TIRZ #1 and TIRZ #2 of \$2,651,754 and \$587,068, respectively. These contributions represent a 48.77% increase over the prior year.

As of April 30, 2022, actual debt service property tax collections were \$18,357,814. For the same period last year, property tax collections were \$17,468,403 an increase of 5.09%.

# City of Mansfield, Texas interim unaudited financial report for the month and seven (7) month period ended April, 2022

2022

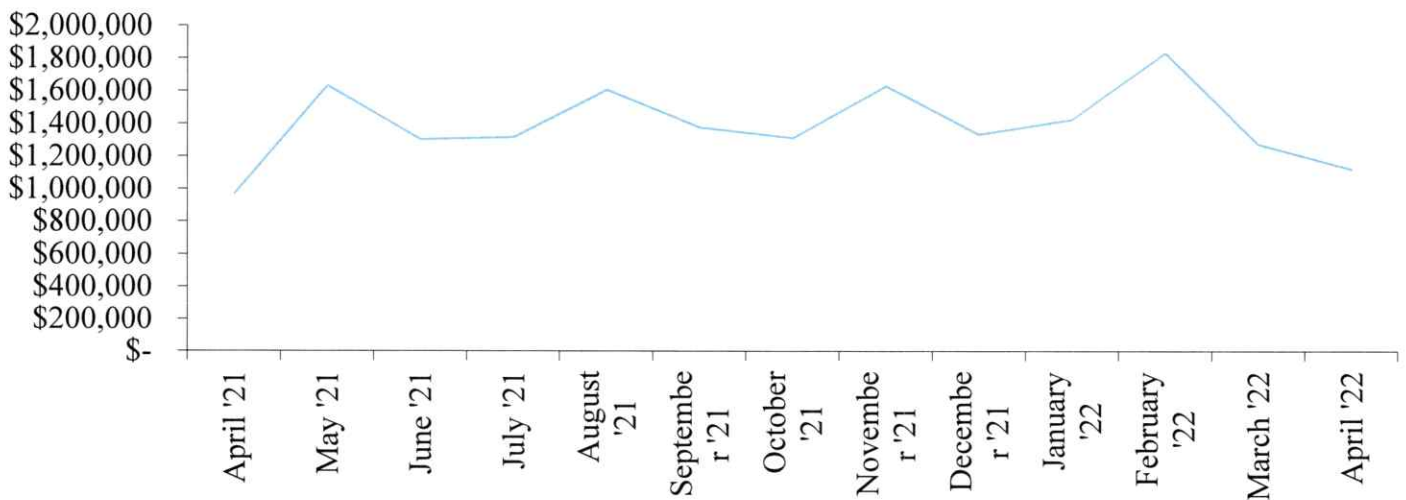
## Ad Valorem Tax Collections by Month



## Sales Tax

Sales tax per capita is \$200 as budgeted. Sales Tax collections for the period April 1, 2022 through April 30, 2022, total \$1,128,248 as compared to \$971,450 for the same period last year. This is an increase of 16.14% over the same period as last year.

## Sales Tax Collections





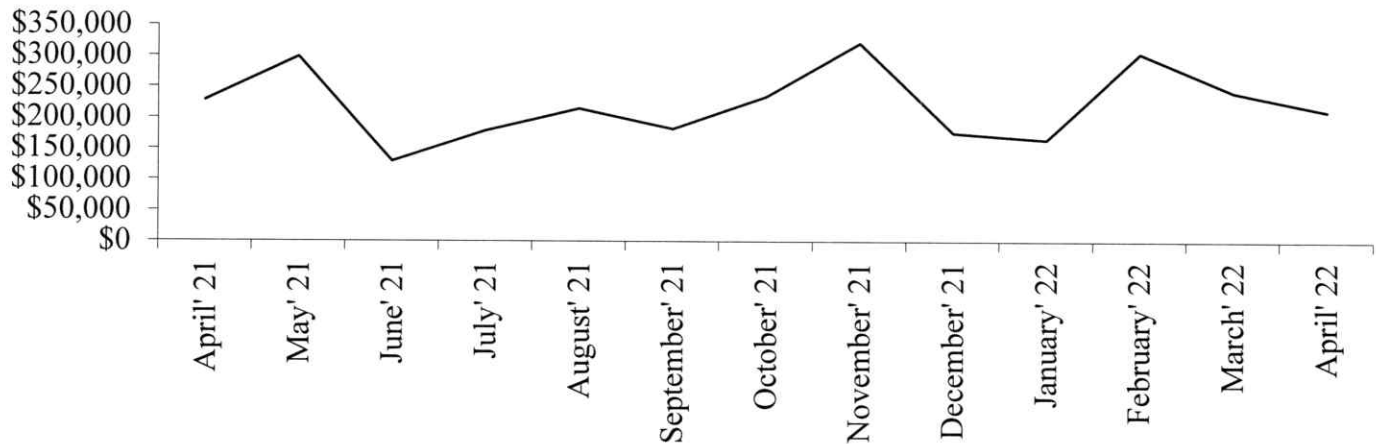
# City of Mansfield, Texas interim unaudited financial report for the month and seven (7) month period ended April, 2022

2022

## Building Permits

Building activity has increased in year over year comparisons. Building permits revenues in April 2022 compared to April 2021 are \$212,374 and \$228,084 respectively, representing a decrease of \$15,710 or 6.89% less than the same period last year. Building activity for the year is above budgeted estimates.

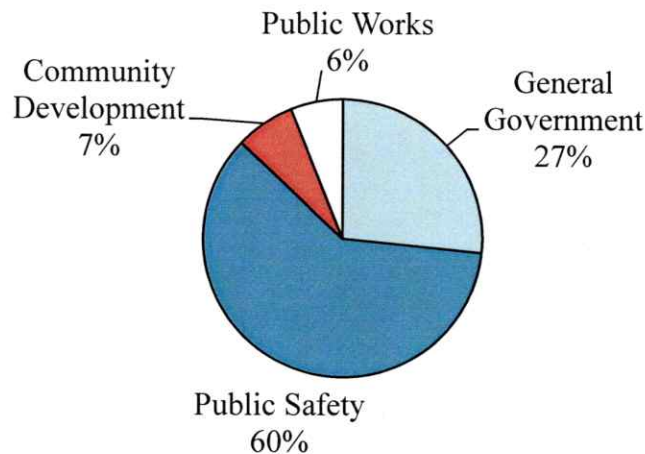
### Building Permits Collections by Month



## Expenditure/Uses

The City has spent \$40,951,283 of its expected expenditures of \$73,140,492 or 55.99% of the City total operating budget. The majority of the City's General Operating Fund is for the purposes of servicing the needs of the public's safety. A total of \$42,362,806 will be spent on the policing needs and fire needs of the City. Expenditures are at expectations as of April 30, 2022.

### Actual Expenses

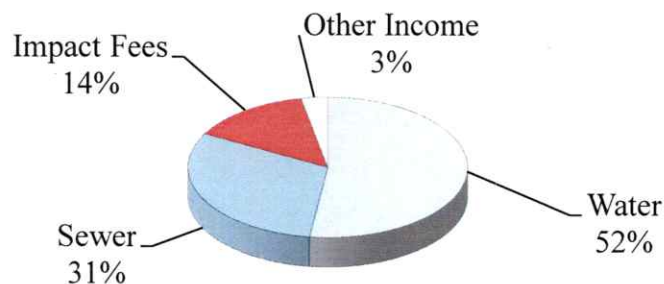




## Water & Sewer Financial Activity

Currently the Fund has collected 68.67% of its Budgeted Revenue to date or \$26,166,497 of \$38,104,975 in Budgeted Revenue.

### Revenues



The Department's expenses are at anticipated levels to date. The overall expenditure activity of the fund (excluding depreciation) indicates 59.11% of the budgeted expenses to date. The costs of raw water and sewer treatment are within budgeted estimates.

### INVESTMENT SCHEDULE:

A schedule of investments is included in your packet for period ended April 30, 2022.

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## SCHEDULE OF INVESTMENTS



## GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not legally required to be accounted for in another fund.

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>General Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u><b>ASSETS</b></u>		
Cash and Investments	\$ 42,453,069	\$ 42,033,997
Receivables:		
Current Year Taxes	549,864	1,106,986
Delinquent Taxes (Net of		
Allowance of \$1,535,477)	-	-
Accounts (Net of Allowance of \$254,026)	1,790,470	872,811
Ambulance	1,718,771	1,275,576
Municipal Court	42,342	28,122
Due From Other Funds	1,791,139	-
Capital Assets (net of accumulated depreciation)	483,749,129 *	453,053,593
Total Assets	\$ 532,094,784	\$ 498,371,085
<u><b>DEFERRED OUTFLOW OF RESOURCES</b></u>		
Deferred Pension Contributions	\$ 3,955,241	\$ 3,925,423
Deferred OPEB Contributions	689,754	2,145,464
Deferred Investment Losses	-	387,125
Deferred Assumption Changes	408,728	242,190
Deferred Actuarial Experience	7,153,795	9,121,809
Deferred Loss on Refunding	2,073,598 *	2,357,349
Total Deferred Outflows of Resources	14,281,116	18,179,360
Total Assets and Deferred Outflows of Resources	546,375,900	516,550,445
<u><b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b></u>		
<u><b>LIABILITIES:</b></u>		
Accounts Payable	\$ 567,162	\$ 417,937
Accrued Liabilities	633,094	439,435
Deferred Revenue	2,310,977	2,410,684
Noncurrent liabilities:		
Due within one year	16,071,071 *	15,512,302
Due in more than one year	184,342,253 *	246,182,830
Total Liabilities	203,924,557	264,963,188
<u><b>DEFERRED INFLOWS OF RESOURCES</b></u>		
Prepaid Rent	1,253,333 *	1,333,333
Deferred Assumption Changes	618,550	1,216,897
Deferred Investment Gains	5,634,688	3,800,551
Deferred actuarial experience	602,921	-
Plan Changes	18,550,639	-
Deferred gain of refunding	13,366 *	9,068
Total Deferred Inflows of Resources	26,673,497	6,359,849
<u><b>FUND BALANCES:</b></u>		
Invested in capital assets,		
net of related debt	283,335,805 *	191,358,461
Assigned for deferred outflows/inflows	(12,392,381)	11,819,511
Unassigned	44,834,422	42,049,436
Total Fund Balances	315,777,846	245,227,408
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 546,375,900	\$ 516,550,445

\* Current year presentation only, does not include current year depreciation expense.

\* Does not conform with Generally Accepted Accounting Principals or Governmental Accounting Standards

\*For presentation purposes the capital assets and outstanding debt of the Governmental Funds have been consolidated into the General Operating Fund of the City.

City of Mansfield, Texas

**Summary Statement of Activities**

**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

General Fund	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 POSITIVE (NEGATIVE) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
<b>REVENUES:</b>							
Taxes	\$ 2,128,531	\$ 1,616,437	\$ 52,500,289	\$ 50,884,182	\$ 62,625,967	\$ (10,125,679)	83.83%
License And Permits	273,883	375,905	2,229,964	2,092,398	2,368,344	(138,380)	94.16%
Grant Revenue	500	68,078	159,723	172,483	200,000	(40,277)	79.86%
Charges For Services	585,491	523,881	3,829,669	3,660,189	6,302,012	(2,472,343)	60.77%
Fines And Fees	100,452	108,447	724,703	597,441	1,228,878	(504,175)	58.97%
Interest Earnings	2,751	345	6,822	6,527	50,000	(43,178)	13.64%
Contributions	-	-	-	-	-	-	0.00%
Miscellaneous	174,359	248,695	943,506	702,563	1,597,273	(653,767)	59.07%
Total Revenues	3,265,967	2,941,788	60,394,676	58,115,783	74,372,474	(13,977,799)	81.21%
<b>EXPENDITURES:</b>							
General Government	1,771,754	1,182,098	10,915,469	10,336,460	19,101,216	8,185,747	57.15%
Public Safety	4,170,895	2,927,160	24,735,203	22,391,944	42,362,806	17,627,603	58.39%
Public Works	295,767	317,640	2,492,534	1,561,675	5,857,019	3,364,485	42.56%
Community Development	491,256	381,163	2,808,077	2,398,559	5,819,451	3,011,374	48.25%
Total Expenditures	6,729,672	4,808,061	40,951,283	36,688,638	73,140,492	32,189,209	55.99%
EXCESS REVENUES OVER(UNDER) EXPENDITURES	(3,463,705)	(1,866,273)	19,443,393	21,427,145	1,231,982		
<b>OTHER FINANCING SOURCES (USES)</b>							
Reserve/Contingency	-	-	-	-	(61,178)	(141,861)	0.00%
Sale of Capital Assets, net	-	-	-	-	-	-	0.00%
Financing, net	-	-	-	-	-	-	0.00%
Sources	-	-	-	-	2,759,961	2,759,961	0.00%
(Uses)	(313,575)	(143,123)	(2,002,876)	(1,565,008)	(3,930,765)	2,550,234	50.95%
Total Other Financing Sources (Uses)	(313,575)	(143,123)	(2,002,876)	(1,565,008)	(1,231,982)	5,168,334	162.57%
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(3,777,280)	(2,009,396)	17,440,517	19,862,137	-		
FUND BALANCE BEGINNING	48,611,702	44,058,832	27,393,905	22,187,299	21,934,063		
ENDING	\$ 44,834,422	\$ 42,049,436	\$ 44,834,422	\$ 42,049,436	\$ 21,934,063		



City of Mansfield, Texas

**Statement of Activities - Budget and Actual**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

General Fund	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 POSITIVE (NEGATIVE) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
<b>REVENUES:</b>							
Taxes-Current	\$ 157,796	\$ 239,328	\$ 38,095,881	\$ 39,379,265	\$ 43,052,467	\$ (4,956,586)	88.49%
Taxes-Prior	25,746	13,736	222,815	105,703	174,144	48,671	127.95%
Gas Royalty Income	1,360	-	432,179	427,692	433,879	(1,700)	99.61%
Franchise Taxes	764,684	325,826	3,446,473	3,216,970	3,559,504	(113,031)	96.82%
Sales Taxes	1,130,882	974,152	10,000,212	7,415,919	14,985,082	(4,984,870)	66.73%
Mix Drink Taxes	23,959	17,112	165,294	112,963	238,831	(73,537)	69.21%
Delinquent P& I	24,104	46,283	137,435	225,670	182,060	(44,625)	75.49%
Total Taxes	2,128,531	1,616,437	52,500,289	50,884,182	62,625,967	(10,125,679)	83.83%
<b>LICENSE &amp; PERMITS</b>							
Building Permits	212,374	228,084	1,659,628	1,520,581	1,739,701	(80,073)	95.40%
Other Lic/Permits	61,509	147,821	570,336	571,817	628,643	(58,307)	90.72%
Total License & Permits	273,883	375,905	2,229,964	2,092,398	2,368,344	(138,380)	94.16%
GRANT REVENUE	500	68,078	159,723	172,483	200,000	(40,277)	79.86%
<b>CHARGES FOR SERVICES</b>							
Sanitation	356,991	344,219	2,417,928	2,310,120	4,049,047	(1,631,119)	59.72%
Ambulance Services	179,472	135,335	1,055,434	951,575	1,868,965	(813,531)	56.47%
Fines & Fees-Engineering	49,028	44,327	356,307	398,494	384,000	(27,693)	92.79%
Total Charges For Services	585,491	523,881	3,829,669	3,660,189	6,302,012	(2,472,343)	60.77%
<b>FINES &amp; FEES</b>							
Fines & Fees-Court	86,939	80,621	550,254	395,445	858,769	(308,515)	64.07%
Fines & Fees-Other	13,513	27,826	174,449	201,996	370,109	(195,660)	47.13%
Total Fines & Fees	100,452	108,447	724,703	597,441	1,228,878	(504,175)	58.97%
INTEREST EARNINGS	2,751	345	6,822	6,527	50,000	(43,178)	13.64%
<b>MISCELLANEOUS</b>							
Jail Contract Housing	26,066	73,536	180,491	220,607	287,937	(107,446)	62.68%
Certificate Of Occupancy	1,500	1,080	8,460	9,480	14,400	(5,940)	58.75%
Mowing	1,520	0	11,935	2,019	-	11,935	0.00%
Sale Of Property	0	19,609	12,383	19,624	-	12,383	0.00%
Zoning Fees	3,300	20,900	53,358	45,200	78,000	(24,642)	68.41%
Health & Rent Inspection Fees	49,065	0	170,335	0	583,375	(413,040)	29.20%
Miscellaneous	92,908	133,570	506,544	405,633	633,561	(127,017)	79.95%
Total Miscellaneous	174,359	248,695	943,506	702,563	1,597,273	(653,767)	59.07%
Total Revenues	\$ 3,265,967	\$ 2,941,788	\$ 60,394,676	\$ 58,115,783	\$ 74,372,474	\$ (13,977,799)	81.21%

City of Mansfield, Texas

**Statement of Activites - Budget and Actual**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

General Fund	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 POSITIVE (NEGATIVE) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
<b>EXPENDITURES:</b>							
<b>GENERAL GOVERNMENT</b>							
Non-departmental	\$ 135,449	\$ 154,781	\$ 1,420,942	\$ 1,900,594	\$ 3,256,867	\$ 1,835,925	43.63%
City Council	24,209	8,387	161,158	100,711	231,059	69,901	69.75%
Intern Program	5,855	3,165	7,967	8,357	51,907	43,940	15.35%
Administration	164,748	90,674	1,011,052	1,136,625	1,598,654	587,602	63.24%
Legal	31,345	18,511	150,798	489,154	332,500	181,702	45.35%
Human Resources	80,464	65,939	579,792	550,261	839,816	260,024	69.04%
Finance	49,525	38,296	301,915	141,717	497,155	195,240	60.73%
Accounting	52,197	50,401	336,199	245,839	530,667	194,468	63.35%
Purchasing	47,127	25,150	411,191	200,914	394,807	(16,384)	104.15%
Tax Collection	-	-	353,651	322,895	366,008	12,357	96.62%
Information Technology	75,107	59,285	646,589	479,188	1,128,882	482,293	57.28%
Sanitation	288,026	279,536	1,736,883	1,648,551	3,316,513	1,579,630	52.37%
Public Records	29,300	10,426	143,939	25,753	299,629	155,690	48.04%
City Secretary	45,772	31,383	259,501	264,307	498,744	239,243	52.03%
Planning Administration	115,574	82,374	695,747	690,006	1,186,623	490,876	58.63%
Construction Codes Boards	-	119	305	369	30,175	29,870	1.01%
Planning/Zoning Comm	384	460	4,291	3,227	14,021	9,730	30.61%
Engineering	66,858	42,831	381,746	295,207	519,177	137,431	73.53%
Historic Landmark	-	24	21	363	3,150	3,129	0.67%
Development Services	25,688	15,573	260,535	232,150	368,753	108,218	70.65%
Building Inspection	359,883	97,575	895,714	661,288	1,283,724	388,010	69.77%
Board of Adjustments	-	-	1	156	1,948	1,947	0.03%
Code Compliance	57,068	46,879	326,489	343,054	546,261	219,772	59.77%
Rental & Health Inspection	43,421	-	188,438	-	518,275	329,837	36.36%
Building Maintenance	73,754	60,329	640,605	595,734	1,285,901	645,296	49.82%
Total	1,771,754	1,182,098	10,915,469	10,336,460	19,101,216	8,185,747	57.15%
<b>PUBLIC SAFETY</b>							
Police Administration	162,907	136,731	1,257,097	1,148,096	1,901,909	644,812	66.10%
Communications	257,692	202,407	1,976,957	1,794,181	3,234,850	1,257,893	61.11%
Patrol	1,004,336	717,050	5,343,576	5,294,646	10,059,714	4,716,138	53.12%
CID And Narcotics	336,798	228,966	1,919,296	1,838,835	3,499,688	1,580,392	54.84%
Jail Operations	141,402	97,161	947,731	699,366	1,437,858	490,127	65.91%
Animal Control	77,982	61,748	473,953	434,195	830,773	356,820	57.05%
CVE Traffic Enforcement	37,071	22,255	197,437	165,442	335,508	138,071	58.85%
Traffic Enforcement	64,138	32,760	368,365	491,046	641,442	273,077	57.43%
K-9 Patrol	13,431	9,879	79,431	72,188	142,687	63,256	55.67%
COPS	98,842	55,028	571,092	395,532	751,191	180,099	76.02%
Municipal Court	48,208	44,751	291,207	339,231	671,626	380,419	43.36%
Training	81,362	48,809	542,585	349,773	790,659	248,074	68.62%
Police Grant Expenditures	40,669	55,217	293,318	380,389	401,473	108,155	73.06%
Fire Administration	230,899	126,273	1,352,601	777,807	2,087,516	734,915	64.79%
Fire Prevention	87,083	52,456	467,198	419,752	848,824	381,626	55.04%
Emergency Management	70,740	55,083	576,915	503,866	895,450	318,535	64.43%
Fire Operations	1,417,335	980,586	8,076,444	7,287,599	13,831,638	5,755,194	58.39%
Total	4,170,895	2,927,160	24,735,203	22,391,944	42,362,806	17,627,603	58.39%



City of Mansfield, Texas

**Statement of Activities - Budget and Actual**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

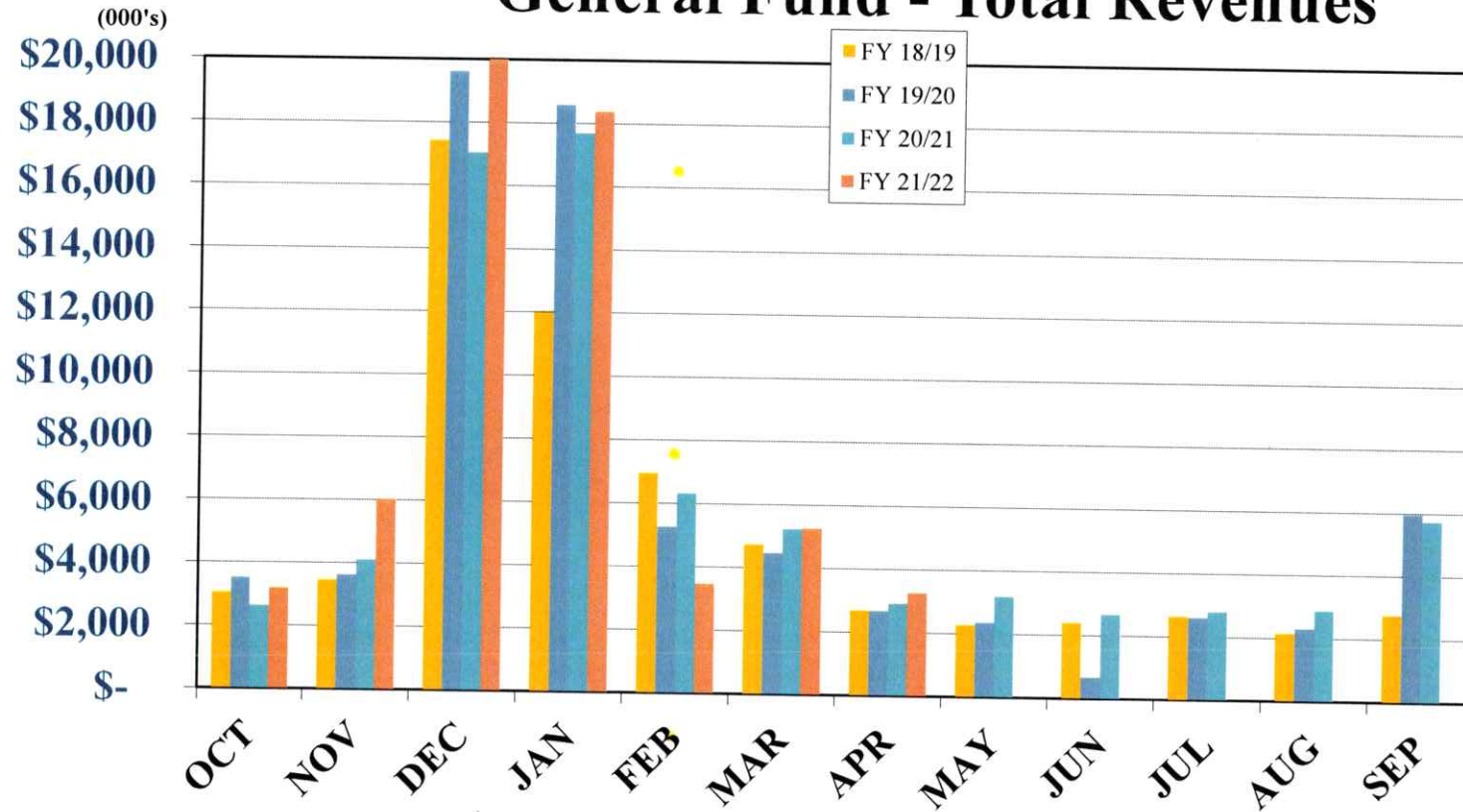
General Fund	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 POSITIVE (NEGATIVE) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
<b>PUBLIC WORKS</b>							
Street Maintenance	295,767	317,640	2,492,534	1,561,675	5,857,019	3,364,485	42.56%
Traffic Control	-	-	-	-	-	-	0.00%
<b>Total</b>	<b>295,767</b>	<b>317,640</b>	<b>2,492,534</b>	<b>1,561,675</b>	<b>5,857,019</b>	<b>3,364,485</b>	<b>42.56%</b>
<b>COMMUNITY SERVICES</b>							
Parks & Recreation Operations	173,629	162,298	1,036,660	955,482	2,403,505	1,366,845	43.13%
Communications & Marketing	78,213	64,605	393,421	250,814	729,532	336,111	53.93%
Downtown Parking	293	293	4,226	2,889	-	(4,226)	0.00%
Senior Citizens	32,070	18,433	185,079	133,651	332,684	147,605	55.63%
Cultural Services	70,009	23,232	383,486	238,160	729,374	345,888	52.58%
Library	137,042	112,302	805,205	817,563	1,624,356	819,151	49.57%
<b>Total</b>	<b>491,256</b>	<b>381,163</b>	<b>2,808,077</b>	<b>2,398,559</b>	<b>5,819,451</b>	<b>3,011,374</b>	<b>48.25%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,729,672</b>	<b>\$ 4,808,061</b>	<b>\$ 40,951,283</b>	<b>\$ 36,688,638</b>	<b>\$ 73,140,492</b>	<b>\$ 32,189,209</b>	<b>55.99%</b>
<b>EXCESS REVENUES OVER(UNDER) EXPENDITURES</b>	<b>(3,463,705)</b>	<b>(1,866,273)</b>	<b>19,443,393</b>	<b>21,427,145</b>	<b>1,231,982</b>		
<b>OTHER FINANCING SOURCES (USES)</b>							
<b>SOURCES:</b>							
Utility Fund-Transfer	-	-	-	-	2,518,561	2,518,561	0.00%
MEDC - Transfer	-	-	-	-	241,400	241,400	0.00%
TIF #1 - Transfer	-	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	-	0.00%
Premiums on Bond Issuance	-	-	-	-	-	-	0.00%
Sale of Capital Assets, net	-	-	-	-	-	-	0.00%
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,759,961</b>	<b>2,759,961</b>	<b>0.00%</b>
<b>(USES):</b>							
Land	-	-	-	-	-	-	0.00%
MPFDC	-	-	-	-	(221,132)	499,592	0.00%
Transfers	-	-	-	-	(1,924,648)	1,535,772	0.00%
PFA Insurance	-	(74,479)	(870,859)	(879,967)	(848,985)	(71,837)	109.99%
Economic Incentives	(313,575)	(68,644)	(1,132,017)	(685,041)	(936,000)	586,707	3.38%
Discount on Bond Issuance	-	-	-	-	-	-	0.00%
Bond Issuance Costs	-	-	-	-	-	-	0.00%
Reserve/Contingency	-	-	-	-	(61,178)	(141,861)	575.52%
<b>Total Other Financing Uses</b>	<b>(313,575)</b>	<b>(143,123)</b>	<b>(2,002,876)</b>	<b>(1,565,008)</b>	<b>(3,991,943)</b>	<b>2,408,373</b>	<b>28.99%</b>
<b>Total Other Financing Sources (Uses)</b>	<b>(313,575)</b>	<b>(143,123)</b>	<b>(2,002,876)</b>	<b>(1,565,008)</b>	<b>(1,231,982)</b>	<b>5,168,334</b>	
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(3,777,280)</b>	<b>(2,009,396)</b>	<b>17,440,517</b>	<b>19,862,137</b>	<b>-</b>		
<b>UNRESERVED FUND BALANCE</b>							
BEGINNING	48,611,702	44,058,832	27,393,905	22,187,299	21,934,063		
ENDING	<u>\$ 44,834,422</u>	<u>\$ 42,049,436</u>	<u>\$ 44,834,422</u>	<u>\$ 42,049,436</u>	<u>\$ 21,934,063</u>		





# CITY OF MANSFIELD

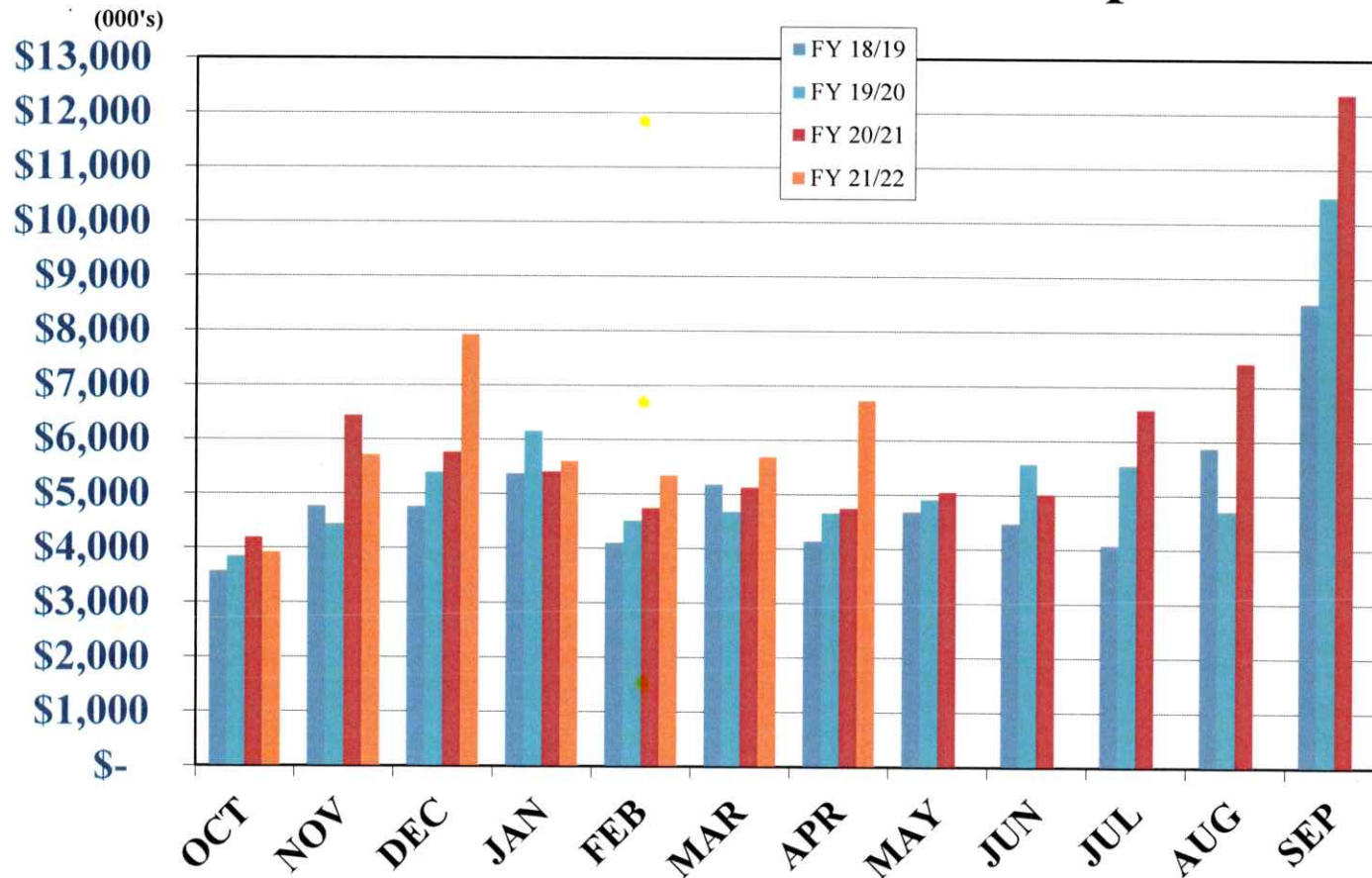
## General Fund - Total Revenues





# CITY OF MANSFIELD

## General Fund - Total Expenditures

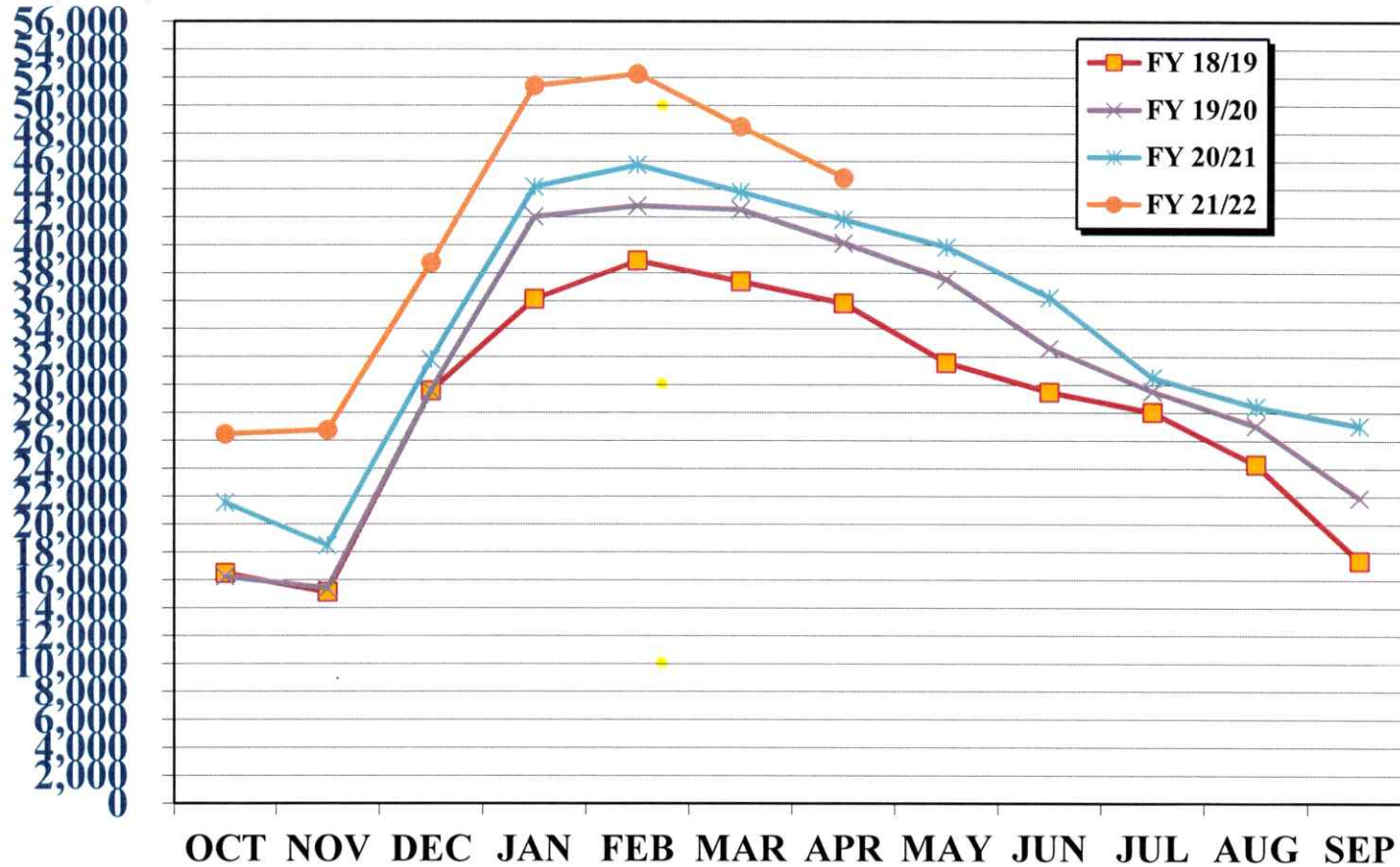




# CITY OF MANSFIELD

## General Fund - Fund Balance

(000's)





## SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes defined by the City.

The TIF Number One Fund or Tax Incremental Financing Fund Number One is used to account for taxes generated in the designated TIF Zone. These taxes will be used to reimburse developers for infrastructure costs.

The TIF Number Two Fund or Tax Incremental Financing Fund Number Two is used to account for taxes generated in the designated TIF Zone. These taxes will be used to revitalize the downtown area of Mansfield. The revitalization will come through the use of public funds for public improvements in the area.

The Hotel/Motel Fund is used to account for the occupancy taxes generated from the local hotels that are used to promote the City of Mansfield and events in the City that further promote hotel stays.

The Mansfield Parks Facility Development Corporation Fund – This fund is used to account for the construction and development of sports and recreation facilities, equipment, and miscellaneous improvements to the City's Park System. These projects will be financed through sales tax supported bonds.

The Mansfield Economic Development Corporation Fund – This fund is used to account for the ½ cent Sales Tax used for the promotion of Economic Development within the City.

The South Pointe Public Improvement District (PID) Fund – This fund is used to account for the improvement or maintenance within a defined area.

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Tax Increment Reinvestment Zone Fund One</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 7,921,180	\$ 4,759,668
Due From Other Funds	24,581	24,581
Total Assets	<u>\$ 7,945,761</u>	<u>\$ 4,784,249</u>
<u>LIABILITIES &amp; FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ 524,769	\$ 604,987
Retainage Payable	-	-
Total Liabilities	<u>524,769</u>	<u>604,987</u>
FUND BALANCES:		
Fund Balance	5,252,236	4,178,778
Excess Revenues Over Expenditures	<u>2,168,756</u>	<u>484</u>
Total Fund Balances	<u>7,420,992</u>	<u>4,179,262</u>
Total Liabilities And Fund Balances	<u>\$ 7,945,761</u>	<u>\$ 4,784,249</u>

City of Mansfield, Texas

**Comparative Statement of Activities**

**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Tax Increment Reinvestment Zone Fund Number One</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
<b>REVENUES:</b>				
Taxes, Penalties, And Interest	\$ -	\$ -	2,651,754	-
Interest Income	394	27	596	484
Total Revenues	394	27	2,652,350	484
<b>EXPENDITURES:</b>				
General Government	342	-	483,594	-
Debt Service -				
Principal Retirement	-	-	-	-
Interest	-	-	-	-
Lease Payments	-	-	-	-
Bond Issuance Cost	-	-	-	-
Fiscal Charges	-	-	-	-
Total Expenditures	342	-	483,594	-
Excess Of Revenues Over (Under) Expenditures	52	27	2,168,756	484
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	-	-
Bonds Issued	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Discounts on Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	52	27	2,168,756	484
FUND BALANCE, BEGINNING	7,420,940	4,179,235	5,252,236	4,178,778
FUND BALANCE, ENDING	\$ 7,420,992	\$ 4,179,262	\$ 7,420,992	\$ 4,179,262

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Tax Increment Reinvestment Zone Fund Two</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 439,229	\$ 537,417
Receivable	700,000	-
	<hr/>	<hr/>
Total Assets	<u>\$ 1,139,229</u>	<u>\$ 537,417</u>
<u>LIABILITIES &amp; FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Due To Other Funds	1,791,139	-
Retainage Payable	-	-
	<hr/>	<hr/>
Total Liabilities	<u>1,791,139</u>	<u>-</u>
FUND BALANCES:		
Fund Balance	(814,140)	389,497
Excess Revenues Over Expenditures	162,230	144,920
	<hr/>	<hr/>
Total Fund Balances	<u>(651,910)</u>	<u>534,417</u>
Total Liabilities And Fund Balances	<u>\$ 1,139,229</u>	<u>\$ 534,417</u>



City of Mansfield, Texas

**Comparative Statement of Activities**

**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Tax Increment Reinvestment Zone Fund Number Two</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
<u>REVENUES:</u>				
Taxes, Penalties, And Interest	\$ -	\$ 144,920	\$ 587,068	\$ 144,920
Interest Income	-	-	-	-
Total Revenues	-	144,920	587,068	144,920
<u>EXPENDITURES:</u>				
General Government	-	-	424,838	-
Debt Service -				
Principal Retirement	-	-	-	-
Interest	-	-	-	-
Lease Payments	-	-	-	-
Bond Issuance Cost	-	-	-	-
Fiscal Charges	-	-	-	-
Total Expenditures	-	-	424,838	-
Excess Of Revenues Over (Under) Expenditures	-	144,920	162,230	144,920
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers In / (Out)	-	-	-	-
Premium on Bonds Issued	-	-	-	-
Discounts on Bonds Issued	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	144,920	162,230	144,920
FUND BALANCE, BEGINNING	(651,910)	389,497	(814,140)	389,497
FUND BALANCE, ENDING	\$ (651,910)	\$ 534,417	\$ (651,910)	\$ 534,417

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Hotel/Motel Occupancy Tax Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 1,687,809	\$ 1,143,320
Accounts Receivable	2,277	2,577
Total Assets	<u>\$ 1,690,086</u>	<u>\$ 1,145,897</u>
<u>LIABILITIES &amp; FUND BALANCES</u>		
LIABILITIES:		
Accrued Liabilities	<u>\$ 19,389</u>	<u>\$ 14,340</u>
Total Liabilities	<u>19,389</u>	<u>14,340</u>
FUND BALANCES:		
Fund Balance	1,492,875	1,034,174
Excess Revenues Over Expenditures	<u>177,822</u>	<u>97,383</u>
Total Fund Balances	<u>1,670,697</u>	<u>1,131,557</u>
Total Liabilities And Fund Balances	<u>\$ 1,690,086</u>	<u>\$ 1,145,897</u>

City of Mansfield, Texas

**Statement of Activities - Budget and Actual**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

Hotel/Motel Occupancy Tax Fund	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 POSITIVE (NEGATIVE) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
<b>REVENUES:</b>							
Hotel Occupancy Tax	\$ 89,109	\$ 33,773	\$ 453,095	\$ 306,795	\$ 725,000	\$ (271,905)	62.50%
Miscellaneous Income	485	2,572	17,017	8,528	-	17,017	0.00%
Total Revenues	89,594	36,345	470,112	315,323	725,000	(254,888)	64.84%
<b>EXPENDITURES:</b>							
Mansfield Historical Society	-	-	-	-	-	-	0.00%
Mansfield Invitational	-	-	-	-	-	-	0.00%
The LOT	-	-	-	-	-	-	0.00%
Mansfield Rotary Club	-	-	-	-	-	-	0.00%
Farr Best Theater	235	-	2,600	508	-	(2,600)	0.00%
Discover Historic Mansfield	-	-	-	-	-	-	0.00%
Mansfield Tourism	42,711	28,924	232,767	187,903	395,613	162,846	58.84%
Pickled Mansfield Society	-	7,891	-	7,891	68,100	68,100	0.00%
Mansfield Commission for the Arts	27,327	-	44,079	1,803	47,100	3,021	93.59%
Historic Landmark Commission	-	-	-	-	-	-	0.00%
Man House Museum	-	-	-	-	-	-	0.00%
Tommy King Foundation	-	-	-	-	-	-	0.00%
Sister Cities Celebration	-	-	-	-	-	-	0.00%
Friends of the Library	-	-	-	-	-	-	0.00%
Championship Basketball	-	-	-	-	10,000	10,000	0.00%
Wayfinding Program	-	-	4,844	13,335	-	(4,844)	0.00%
Reserve	-	-	8,000	6,500	204,187	196,187	3.92%
Total Expenditures	70,273	36,815	292,290	217,940	725,000	432,710	40.32%
Excess Of Revenues Over (Under) Expenditures	19,321	(470)	177,822	97,383			
FUND BALANCE, BEGINNING	1,651,376	1,132,027	1,492,875	1,034,174			
FUND BALANCE, ENDING	\$ 1,670,697	\$ 1,131,557	\$ 1,670,697	\$ 1,131,557			

City of Mansfield, Texas

**Comparative Budget and Cash Analysis  
For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Hotel/Motel Occupancy Tax Fund</b>	<b>Budgeted Request</b>	<b>FY22 Amount To Date</b>	<b>Available Budget</b>	<b>FY22 PERCENT COLLECTED TO BUDGET</b>
<b>REVENUES:</b>				
Hotel Occupancy Tax	\$ 725,000	\$ 453,095	\$ 271,905	62.50%
Rental of Facilities	-	16,784	(16,784)	0.00%
Interest Income	-	233	(233)	-
Total Revenues	725,000	470,112	254,888	64.84%
<b>EXPENDITURES:</b>				
Mansfield Historical Society	-	-	-	0.00%
Mansfield Invitational	-	-	-	0.00%
The LOT	-	-	-	0.00%
Discover Historic Mansfield - Farr Best Concerts	-	2,600	2,600	0.00%
Mansfield Tourism	395,613	232,767	(162,846)	58.84%
Pickled Mansfield Society	68,100	-	(68,100)	0.00%
Manfield Police Dept.	-	-	-	0.00%
Mansfield Commission for the Arts	47,100	44,079	(3,021)	93.59%
Historic Landmark Commission	-	-	-	0.00%
Desert Love Film Festival	-	-	-	0.00%
Man House Museum	-	-	-	0.00%
Tommy King Foundation	-	-	-	0.00%
Sister Cities Celebration	-	-	-	0.00%
Wayfinding Program	-	4,844	4,844	0.00%
Friends of the Library	-	-	-	0.00%
Championship Basketball Reserve	10,000	-	(10,000)	0.00%
	204,187	8,000	(196,187)	3.92%
Total Expenditures	725,000	292,290	(432,710)	40.32%
Revenues / (Expenditures)	-	177,822	(177,822)	

**SUPPLEMENTAL INFORMATION: CASH ANALYSIS**

Beginning Cash Balance for Fiscal Year 2022	1,509,987
Plus: FY2022 Cash Collections	470,112
Less: FY2022 Cash Expenditures	(292,290)
Cash Balance as of April 30, 2022	1,687,809
Remaining Hotel/Motel Occupancy Funds to Collect	271,905
Remaining Hotel/Motel Occupancy Funds to Expend	(432,710)
Projected Cash Balance at September 30, 2022	1,527,004



City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Mansfield Parks Facility Development Corp</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS:</u>		
Cash And Investments	\$ 8,060,571	\$ 5,176,317
Restricted Cash and Investments	6,039,523	4,780,817
Receivables:		
Accounts	771,177	329,690
Total Assets	<u>\$ 14,871,271</u>	<u>\$ 10,286,824</u>
<u>LIABILITIES &amp; FUND BALANCES:</u>		
LIABILITIES:		
Accounts Payable	\$ 171,005	\$ 186,948
Other Liabilities	1,000,000	1,000,000
Deferred Revenue	1,451,622	1,731,161
Total Liabilities	<u>2,622,627</u>	<u>2,918,109</u>
FUND BALANCES:		
Fund Balance	9,776,670	5,758,216
Excess Revenues Over (Under)		
Expenditures	2,471,974	1,610,499
Total Fund Balances	<u>12,248,644</u>	<u>7,368,715</u>
Total Liabilities And Fund Balances	<u>\$ 14,871,271</u>	<u>\$ 10,286,824</u>

City of Mansfield, Texas

**Statement of Activities - Budget and Actual**  
For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)

Mansfield Parks Facility Development Corporation	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 POSITIVE (NEGATIVE) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
REVENUES:							
Sales Tax Revenue	\$ 300,945	\$ 223,634	\$ 3,150,465	\$ 1,864,066	\$ 4,333,942	\$ (1,183,477)	72.69%
Contributions	-	-	3,084	9,659	32,862	(29,778)	9.38%
Interest Earnings	1,240	-	2,027	1,477	12,000	(9,973)	16.89%
Other Income	-	-	4,428	8,027	-	4,428	0.00%
MAC Revenue	303,641	149,543	1,443,149	1,081,242	2,153,000	(709,851)	67.03%
Lease Royalties	18,659	10,717	110,115	59,352	100,000	10,115	110.12%
Park Land Dedication Revenue	40,500	234,000	842,000	1,019,750	-	842,000	0.00%
Total Revenues	664,985	617,894	5,555,268	4,043,573	6,631,804	(1,076,536)	83.77%
EXPENDITURES:							
Administration	158,919	105,083	1,036,942	951,030	1,903,318	866,376	54.48%
Field Operations	74,560	55,504	400,501	342,940	842,991	442,490	47.51%
Community Park Operations	103,147	83,239	598,094	522,929	1,217,808	619,714	49.11%
Nature Education Operations	11,943	10,201	63,026	66,474	227,089	164,063	27.75%
Recreational Center	82,990	55,970	479,746	350,674	1,039,701	559,955	46.14%
Neighborhood Park Operations	17,031	9,384	111,150	58,110	259,245	148,095	42.87%
Quadrants	-	-	282,000	-	-	(282,000)	0.00%
Non-Departmental	13,134	21,592	111,835	140,917	1,362,783	1,250,948	8.21%
Total Expenditures	461,724	340,973	3,083,294	2,433,074	6,852,935	3,769,641	44.99%
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	203,261	276,921	2,471,974	1,610,499	(221,131)	2,693,105	-1117.88%
OTHER FINANCING SOURCES (USES):							
Operating Transfers In	-	-	-	-	221,132	(221,132)	0.00%
Operating Transfers (Out)	-	-	-	-	-	-	0.00%
Cash Reserves	-	-	-	-	-	-	0.00%
Bond Proceeds	-	-	-	-	-	-	0.00%
Premium on Bonds issued	-	-	-	-	-	-	0.00%
Discounts on Bond issued	-	-	-	-	-	-	0.00%
Total Other Financing Sources (Uses)	-	-	-	-	221,132	(221,132)	0.00%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	203,261	276,921	2,471,974	1,610,499			
FUND BALANCE, BEGINNING	12,045,383	7,091,794	9,776,670	5,758,216			
FUND BALANCE, ENDING	\$ 12,248,644	\$ 7,368,715	\$ 12,248,644	\$ 7,368,715			

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Mansfield Economic Development Corporation</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 10,628,911	\$ 13,417,410
Accounts Receivable	660,152	1,764
Restricted Assets:		
Cash and Investments, Projects	1,129,560	1,401,790
Fixed Assets (net of accumulated depreciation)	36,758,068	9,803,758
Total Assets	<u>\$ 49,176,691</u>	<u>\$ 24,624,722</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts Payable	\$ 8,683	\$ 3,703
Accrued Liabilities	3,240	3,240
Retainage Payable	20,133	254,785
Bonds Payable	21,635,000	23,430,000
Unamortized Discounts on Bonds	(138,685)	(152,080)
Unamortized Premiums	964,103	1,030,757
Deferred Amount on Refunding	(64,821)	(92,602)
Contract Commitments	34,014,146 *	24,596,139
Total Liabilities	<u>56,441,799</u>	<u>49,073,942</u>
NET ASSETS:		
Restricted	1,129,560	1,401,790
Unassigned	(8,394,668)	(25,851,010)
Total Net Assets	<u>(7,265,108)</u>	<u>(24,449,220)</u>
Total Liabilities & Net Assets	<u>\$ 49,176,691</u>	<u>\$ 24,624,722</u>

\*Does not conform with Generally Accepted Accounting Principals or Governmental Accounting Standards  
This is the GASB 34 presentation and is different from the fund level presentation per GAAP.

City of Mansfield, Texas

**Comparative Statement of Activities**  
For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)

<b>Mansfield Economic Development Corp.</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
OPERATING REVENUES:				
Sales Tax Revenue	\$ 565,441	\$ 487,076	\$ 5,000,106	\$ 3,707,960
Gas Royalties	-	-	-	-
Miscellaneous	-	-	10,608	-
Rental Of Facilities	-	-	-	-
Total Operating Revenues	565,441	487,076	5,010,714	3,707,960
OPERATING EXPENDITURES:				
Administration	104,608	41,170	566,984	333,268
Promotions	9,991	3,609	42,805	16,996
Retention	-	37	75	69
Development Plan	869	-	901	8
Projects	452	390,225	1,385,543	1,525,764
Non-Departmental	-	251	49,643	2,808,525
Depreciation	-	-	-	-
Total Operating Expenditures	115,920	435,292	2,045,951	4,684,630
OPERATING INCOME	449,521	51,784	2,964,763	(976,670)
NONOPERATING REVENUES (EXPENSES):				
Interest Revenue	917	-	1,386	1,083
Gain or (loss) on sale of property	-	-	-	6,181,329
Bonds issued	-	-	-	-
Premiums on bonds issued	-	-	-	-
Discounts on bonds issued	-	-	-	-
Amortization	-	-	-	-
Interest and fiscal charges	-	-	(405,428)	(436,916)
Total Nonoperating Revenue	917	-	(404,042)	5,745,496
INCOME BEFORE OPERATING TRANSFERS	450,438	51,784	2,560,721	4,768,826
OPERATING TRANSFERS:				
Operating Transfers In (Out)	-	-	-	-
CHANGE IN NET ASSETS	450,438	51,784	2,560,721	4,768,826
NET ASSETS, BEGINNING	(7,715,546)	(24,501,004)	(9,825,829)	(9,788,636)
NET ASSETS, PROJECTS	- **	-	- **	(19,429,410)
NET ASSETS, ENDING	\$ (7,265,108)	\$ (24,449,220)	\$ (7,265,108)	\$ (24,449,220)

\*\*Project Fund Balance represents funds that have been contractually obligated by the City Council and MEDC. These expenses will be recognized upon realization of the expense.



City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>South Pointe PID</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 250,270	\$ 216,427
Receivables:		
Current Year PID Assessment	-	-
Total Assets	<u>\$ 250,270</u>	<u>\$ 216,427</u>
<u>LIABILITIES &amp; FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ 24,582	\$ 24,582
Deferred Revenue	-	1,000
Total Liabilities	<u>24,582</u>	<u>25,582</u>
FUND BALANCES:		
Fund Balance	(23,582)	(12,287)
Excess Revenues Over Expenditures	<u>249,270</u>	<u>203,132</u>
Total Fund Balances	<u>225,688</u>	<u>190,845</u>
Total Liabilities And Fund Balances	<u>\$ 250,270</u>	<u>\$ 216,427</u>

City of Mansfield, Texas

**Comparative Statement of Activities**

**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>South Pointe PID</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
<u>REVENUES:</u>				
PID Assessment	\$ 3,830	\$ 4,200	\$ 447,894	\$ 308,669
Penalties & Interest	-	-	2,440	1,923
Total Revenues	3,830	4,200	450,334	310,592
<u>EXPENDITURES:</u>				
General government	29,095	32,120	201,064	107,460
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Total Expenditures	29,095	32,120	201,064	107,460
Excess Of Revenues Over (Under) Expenditures	(25,265)	(27,920)	249,270	203,132
Net Change in Fund Balances	(25,265)	(27,920)	249,270	203,132
FUND BALANCE, BEGINNING	250,953	218,765	(23,582)	(12,287)
FUND BALANCE, ENDING	\$ 225,688	\$ 190,845	\$ 225,688	\$ 190,845

## DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources and payment of general obligation debt principal and interest from governmental resources and special revenue bond principal and interest from a sales tax levy when the City is obligated in some manner for the payment.

The General Debt Service Fund – The purpose of this fund is to account for the accumulation of resources for and the payment of, principal and interest on the City's general obligation debt payable from a property tax levy with the exception of the MPFDC debt.

The Mansfield Parks Facilities Development Corporation Debt Service Fund – The purpose of this fund is to account for the accumulation of resources for and the payment of, principal and interest on the MPFDC long-term debt from a sales tax levy.

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>General Obligation Debt</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 7,493,132	\$ 7,715,433
Receivables:		
Current Year Taxes	270,159	522,271
Delinquent Taxes (Net of Allowance of \$837,176)	-	-
Total Assets	<u>\$ 7,763,291</u>	<u>\$ 8,237,704</u>
<u>LIABILITIES &amp; FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Deferred Revenue	270,159	522,271
Total Liabilities	<u>270,159</u>	<u>522,271</u>
FUND BALANCES:		
Fund Balance	5,365,013	3,888,921
Excess Revenues Over Expenditures	2,128,119	3,826,512
Total Fund Balances	<u>7,493,132</u>	<u>7,715,433</u>
Total Liabilities And Fund Balances	<u>\$ 7,763,291</u>	<u>\$ 8,237,704</u>



City of Mansfield, Texas

**Comparative Statement of Activities**  
For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)

General Obligation Debt	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 OVER (UNDER) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
<b>REVENUES:</b>							
Taxes, Penalties, And Interest	\$ 100,227	\$ 146,087	\$ 18,357,814	\$ 17,468,403	\$ 16,410,032	\$ 1,947,782	111.87%
Miscellaneous	-	-	76	200	-	76	0.00%
Interest Income	62	14	125	103	-	125	0.00%
Total Revenues	100,289	146,101	18,358,015	17,468,706	16,410,032	1,947,982	111.87%
<b>EXPENDITURES:</b>							
Debt Service -							
Principal Retirement	-	-	13,310,000	10,660,000	16,410,032	3,100,032	81.11%
Interest	-	-	2,909,819	2,972,873	-	(2,909,819)	0.00%
Lease Payments	-	-	-	-	-	-	0.00%
Bond Issuance Cost	-	-	-	-	-	-	0.00%
Fiscal Charges	-	-	10,077	9,321	-	(10,077)	0.00%
Total Expenditures	-	-	16,229,896	13,642,194	16,410,032	180,136	98.90%
Excess Of Revenues Over (Under) Expenditures	100,289	146,101	2,128,119	3,826,512			
<b>OTHER FINANCING SOURCES (USES)</b>							
Refunding Bonds Issued	-	-	-	-			
Premium on Bonds Issued	-	-	-	-			
Discounts on Bonds Issued	-	-	-	-			
Payment to Refunded Bond Escrow Agent	-	-	-	-			
Total Other Financing Sources (Uses)	-	-	-	-			
Net Change in Fund Balances	100,289	146,101	2,128,119	3,826,512			
FUND BALANCE, BEGINNING	7,392,843	7,569,332	5,365,013	3,888,921			
FUND BALANCE, ENDING	\$ 7,493,132	\$ 7,715,433	\$ 7,493,132	\$ 7,715,433			

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Mansfield Parks Facility Development Corp. Debt Service</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 1,741,725	\$ 1,703,803
Total Assets	<u>\$ 1,741,725</u>	<u>\$ 1,703,803</u>
<u>LIABILITIES AND FUND BALANCES</u>		
LIABILITIES:		
Accrued Interest Payable	\$ 4,650	\$ 4,650
Total Liabilities	<u>4,650</u>	<u>4,650</u>
FUND BALANCES:		
Fund Balance	521,661	510,814
Excess Revenues Over (Under) Expenditures	<u>1,215,414</u>	<u>1,188,339</u>
Total Fund Balances	<u>1,737,075</u>	<u>1,699,153</u>
Total Liabilities And Fund Balances	<u>\$ 1,741,725</u>	<u>\$ 1,703,803</u>

City of Mansfield, Texas

**Statement of Activities - Budget and Actual**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Mansfield Parks Facility Development Corp. Debt Service</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>	<b>FY22 ORIGINAL BUDGET</b>	<b>FY22 POSITIVE (NEGATIVE) BUDGET</b>	<b>FY22 PERCENT COLLECTED TO BUDGET</b>
<u>REVENUES:</u>							
Taxes, Penalties, And Interest	\$ 263,155	\$ 262,780	\$ 1,842,086	\$ 1,839,460	\$ 3,157,861	\$ (1,315,775)	58.33%
Other Income	-	-	-	-	-	-	0.00%
Total Revenues	263,155	262,780	1,842,086	1,839,460	3,157,861	(1,315,775)	58.33%
<u>EXPENDITURES:</u>							
Debt Service							
Principal Retirement	-	-	-	-	1,910,000	1,910,000	0.00%
Interest And Fiscal Charges	-	-	626,672	651,121	1,247,861	621,189	50.22%
Non-departmental	-	-	-	-	-	-	0.00%
Total Expenditures	-	-	626,672	651,121	3,157,861	2,531,189	19.84%
Excess Of Revenues Over (Under) Expenditures	263,155	262,780	1,215,414	1,188,339			
<u>OTHER FINANCING SOURCES (USES):</u>							
Bond Proceeds	-	-	-	-			
Total Other Financing Sources (Uses)	-	-	-	-			
FUND BALANCE, BEGINNING	1,473,920	1,436,373	521,661	510,814			
FUND BALANCE, ENDING	\$ 1,737,075	\$ 1,699,153	\$ 1,737,075	\$ 1,699,153			

## CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The Street Construction Fund – The purpose of this fund is to account for the construction and improvement of various streets in the City. General Obligation Bonds, Certificates of Obligation, and Street Assessments are used to finance the construction.

The Building Construction Fund – The purpose of this fund is to account for the construction of City facilities funded by General Obligation Bonds and Certificates of Obligation.

The Equipment Replacement Fund – The purpose of this fund is used to account for the purchase of capital equipment funded from the issuance of notes through the City of Mansfield Property Finance Authority Corporation or other sources.

The Park Construction Fund – The purpose of this fund is to account for the construction of City facilities funded by Mansfield Park Facilities Development Corporation Sales Tax Revenue Bonds.



City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Street Construction Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u><b>ASSETS</b></u>		
Cash And Investments	\$ 22,442,586	\$ 24,532,663
Receivables	-	-
Projects In Process		
Current Year	2,137,964	776,872
Prior Year	12,689,757	10,890,226
Total Assets	<u>\$ 37,270,307</u>	<u>\$ 36,199,761</u>
<u><b>LIABILITIES AND FUND BALANCES</b></u>		
<b>LIABILITIES:</b>		
Accounts Payable	\$ 55,418	\$ 55,518
Deposits	343,807	442,178
Retainage Payable	107,265	175,954
Other Liabilities	-	-
Total Liabilities	<u>506,490</u>	<u>673,650</u>
<b>FUND BALANCES:</b>		
Fund Balance	34,875,197	33,411,130
Excess Revenues Over (Under)		
Expenditures	1,888,620	2,114,981
Total Fund Balance	<u>36,763,817</u>	<u>35,526,111</u>
Total Liabilities And Fund Balance	<u>\$ 37,270,307</u>	<u>\$ 36,199,761</u>

City of Mansfield, Texas

**Comparative Statement of Activities**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Street Construction Fund</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
REVENUES:				
Recoveries	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	-	-
Intergovernmental	-	-	-	-
Roadway Impact Fees	222,465	157,279	2,225,709	2,425,004
Interest Income	2,667	225	4,387	3,612
Total Revenues	225,132	157,504	2,230,096	2,428,616
EXPENDITURES:				
Administrative	63,091	49,477	341,476	313,635
Street Improvements	-	-	-	-
Total Expenditures	63,091	49,477	341,476	313,635
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	162,041	108,027	1,888,620	2,114,981
OTHER FINANCING SOURCES (USES):				
Transfers	-	-	-	-
Bond Proceeds	-	-	-	-
Bond Issuance Costs	-	-	-	-
Premiums on Bond Issuance	-	-	-	-
Discounts on Bond Issuance	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	162,041	108,027	1,888,620	2,114,981
FUND BALANCE, BEGINNING	36,601,776	35,418,084	34,875,197	33,411,130
FUND BALANCE, ENDING	\$ 36,763,817	\$ 35,526,111	\$ 36,763,817	\$ 35,526,111

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Building Construction Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 15,288,389	\$ 10,988,732
Construction in Progress	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 15,288,389</u>	<u>\$ 10,988,732</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ 1,087	\$ 7,130
Due to Other Funds	-	-
Retainage Payable	<u>378,066</u>	<u>245,738</u>
Total Liabilities	<u>379,153</u>	<u>252,868</u>
 FUND BALANCE:	 17,693,965	 13,760,605
Excess Revenues Over (Under)		
Expenditures	<u>(2,784,729)</u>	<u>(3,024,741)</u>
Total Fund Balance	<u>14,909,236</u>	<u>10,735,864</u>
Total Liabilities And Fund Balance	<u>\$ 15,288,389</u>	<u>\$ 10,988,732</u>

City of Mansfield, Texas

**Comparative Statement of Activities**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Building Construction Fund</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
REVENUES:				
Interest Income	\$ 194	\$ 49	\$ 406	\$ 334
Rental Of Facilities	-	-	-	-
Contributions	-	-	-	-
Miscellaneous Income	14,055	33,887	21,964	22,236
Grant Revenue	-	-	-	-
Total Revenues	<u>14,249</u>	<u>33,936</u>	<u>22,370</u>	<u>22,570</u>
EXPENDITURES:				
Administration	-	-	-	-
Library	270,665	-	905,607	38,570
Fire Station #5	-	340,845	70,398	2,133,194
Man House	-	186,144	4,679	442,678
Wayfinding	-	-	84,328	4,905
Police Station	128,250	15,796	509,550	386,150
Tactical Training Facility	421,857	-	1,232,537	41,814
Total Expenditures	<u>820,772</u>	<u>542,785</u>	<u>2,807,099</u>	<u>3,047,311</u>
Excess Revenues Over (Under)				
Expenditures	(806,523)	(508,849)	(2,784,729)	(3,024,741)
OTHER FINANCING SOURCES (USES):				
Bond Proceeds	-	-	-	-
Bond Issuance Costs	-	-	-	-
Premiums on Bond Issuance	-	-	-	-
Discounts on Bond Issuance	-	-	-	-
Operating Transfer In (Out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(806,523)	(508,849)	(2,784,729)	(3,024,741)
FUND BALANCE, BEGINNING	<u>15,715,759</u>	<u>11,244,713</u>	<u>17,693,965</u>	<u>13,760,605</u>
FUND BALANCE, ENDING	<u>\$ 14,909,236</u>	<u>\$ 10,735,864</u>	<u>\$ 14,909,236</u>	<u>\$ 10,735,864</u>



City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Equipment Replacement Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 324,053	\$ 3,669,529
Total Assets	<u>\$ 324,053</u>	<u>\$ 3,669,529</u>
<u>LIABILITIES AND FUND BALANCES</u>		
LIABILITIES:		
Accounts Payable	\$ 1,881	\$ -
Retainage Payable	-	-
Total Liabilities	<u>\$ 1,881</u>	<u>\$ -</u>
FUND BALANCE:	2,338,999	4,247,249
Excess Revenues Over Expenditures	<u>(2,016,827)</u>	<u>(577,720)</u>
Total Fund Balance	<u>322,172</u>	<u>3,669,529</u>
Total Liabilities And Fund Balance	<u>\$ 324,053</u>	<u>\$ 3,669,529</u>

City of Mansfield, Texas

**Comparative Statement of Activities**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Equipment Replacement Fund</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
REVENUES:				
Contributions	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-
Other Income	673	456	27,455	31,662
Interest Income	-	-	-	2
Total Revenues	<u>673</u>	<u>456</u>	<u>27,455</u>	<u>31,664</u>
EXPENDITURES:				
Administration	-	-	-	-
Information Services	8,667	-	76,613	40,655
Code Enforcement	-	-	-	-
Planning	26,334	35,690	250,501	79,520
Streets	-	-	10,446	-
Animal Control	-	-	-	66,345
City Hall	-	-	-	-
Parks Department	-	-	31,818	178,526
Library	-	-	-	3,395
Fire	761	114,109	1,361,040	136,627
Police Department	<u>69,750</u>	<u>12,420</u>	<u>342,915</u>	<u>238,910</u>
Total Expenditures	<u>105,512</u>	<u>162,219</u>	<u>2,073,333</u>	<u>743,978</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(104,839)</u>	<u>(161,763)</u>	<u>(2,045,878)</u>	<u>(712,314)</u>
OTHER FINANCING SOURCES (USES):				
Bond Proceeds	-	-	-	-
Bond Issuance Costs	-	-	-	-
Premium on Bond Issuance	-	-	-	-
Discounts on Bond Issuance	-	-	-	-
Sale of city property	-	9,944	29,051	19,944
Transfer In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,650</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>9,944</u>	<u>29,051</u>	<u>134,594</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(104,839)</u>	<u>(151,819)</u>	<u>(2,016,827)</u>	<u>(577,720)</u>
FUND BALANCE, BEGINNING	<u>427,011</u>	<u>3,821,348</u>	<u>2,338,999</u>	<u>4,247,249</u>
FUND BALANCE, ENDING	<u>\$ 322,172</u>	<u>\$ 3,669,529</u>	<u>\$ 322,172</u>	<u>\$ 3,669,529</u>

City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Parks Construction Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ -	\$ 65,868
Total Assets	<u>\$ -</u>	<u>\$ 65,868</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ 226,795	\$ -
Retainage Payable	-	-
Total Liabilities	<u>226,795</u>	<u>-</u>
FUND BALANCE:	(116,948)	66,306
Excess Revenues Over Expenditures	<u>(109,847)</u>	<u>(438)</u>
Total Fund Balance	<u>(226,795)</u>	<u>65,868</u>
Total Liabilities And Fund Balance	<u>\$ -</u>	<u>\$ 65,868</u>

City of Mansfield, Texas

**Comparative Statement of Activities**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Parks Construction Fund</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
REVENUES:				
Contributions	\$ -	\$ -	\$ -	\$ -
Recoveries	-	-	-	-
Interest Income	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES:				
Parks Administration Building	-	-	-	-
Dog Park	-	56	56	438
FieldHouse	-	-	-	-
Matlock Community Park	-	-	-	-
Gertie Barrett Park	46,317	-	97,791	-
Pond Branch	12,000	-	12,000	-
Total Expenditures	58,317	56	109,847	438
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(58,317)	(56)	(109,847)	(438)
OTHER FINANCING SOURCES (USES):				
Bond Proceeds	-	-	-	-
Bond Issuance Costs	-	-	-	-
Premiums on Bond Issuance	-	-	-	-
Discounts on Bond Issuance	-	-	-	-
Transfer In (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(58,317)	(56)	(109,847)	(438)
FUND BALANCE, BEGINNING	(168,478)	65,924	(116,948)	66,306
FUND BALANCE, ENDING	\$ (226,795)	\$ 65,868	\$ (226,795)	\$ 65,868



## ENTERPRISE FUNDS

The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises. The intent is that the cost of providing goods or services to the general public be financed or recovered primarily through user charges.

The Utility Fund – The purpose of this fund is to account for the activities of providing water and sewer services to the citizens of Mansfield, Texas.

The Drainage Utility Fund – The purpose of this fund is used to account for the revenues and expenditures for services related to the preparing of a master drainage plan.

City of Mansfield, Texas

**Comparative Statement of Net Position**  
April 30, 2022 and 2021 (Unaudited)

<b>Utility Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 29,293,247	\$ 27,083,175
Receivables:		
Accounts (net of allowance of \$1,360,337)	3,651,114	4,477,037
Inventory	893,227	597,829
Restricted Assets:		
Cash and Investments	16,620,611	12,768,515
Fixed Assets (net of accumulated depreciation)	223,024,807	211,535,656
Total Assets	273,483,006	256,462,212
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred pension contributions	456,569	453,665
Deferred OPEB contributions	84,782	240,655
Deferred investment losses	-	43,398
Deferred actuarial experience	866,023	1,091,859
Deferred assumption changes	47,163	28,656
Deferred loss on refunding	2,265,334	2,434,143
Total deferred outflows of resources	3,719,871	4,292,376
Total Assets and Deferred Outflows of Resources	\$ 277,202,877	\$ 260,754,588
<u>LIABILITIES</u>		
Accounts Payable	\$ 43,793	\$ 33,809
Accrued Liabilities	193,447	181,621
Payable From Restricted Assets:		
Deposits	1,758,990	1,658,579
Accrued Interest	282,722	358,968
Retainage Payable	504,747	745,378
From Unrestricted Assets:		
Current	3,806,836	3,461,961
Long-Term, Net	27,293,240	31,046,123
Compensated Absences	639,041	619,460
Net OPEB liability	1,681,547	4,675,403
Total OPEB liability	165,767	118,618
Net pension liability	1,941,335	1,977,194
Total Liabilities	38,311,465	44,877,114
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred assumption changes	75,422	108,403
Deferred investment gains	661,777	473,309
Deferred actuarial experience	70,470	-
Plan Change	2,287,734	-
Total deferred inflows of resources	3,095,403	581,712
<u>NET POSITION</u>		
Invested In Capital Assets (net of related debt)	194,190,066	179,461,715
Reserved for Debt Service	5,746,067	5,626,283
Reserved for Capital Projects	10,874,545	7,142,232
Unreserved	24,985,331	23,065,532
Total Net Position	235,796,009	215,295,762
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 277,202,877	\$ 260,754,588

City of Mansfield, Texas

**Statement of Activities - Budget and Actual**  
For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)

Utility Fund	FY22 MONTH TO DATE	FY21 MONTH TO DATE	FY22 YEAR TO DATE	FY21 YEAR TO DATE	FY22 ORIGINAL BUDGET	FY22 POSITIVE (NEGATIVE) BUDGET	FY22 PERCENT COLLECTED TO BUDGET
OPERATING REVENUES:							
Water Service	\$ 1,858,385	\$ 1,574,458	\$ 13,621,968	\$ 11,911,526	\$ 22,316,266	\$ (8,694,298)	61.04%
Sewer Service	1,165,235	1,059,138	8,066,210	7,700,326	13,519,835	(5,453,625)	59.66%
Water Penalties	28,173	-	154,799	-	250,000	(95,201)	61.92%
Water Taps	-	-	-	-	18,811	(18,811)	0.00%
Meter Set Fee	27,990	43,880	226,260	174,840	98,940	127,320	228.68%
Utility Miscellaneous	3,535	2,840	33,484	44,986	60,000	(26,516)	55.81%
Restore Service Fee	8,609	1,877	28,694	4,255	90,000	(61,306)	31.88%
Sewer Tap	-	-	-	-	2,000	(2,000)	0.00%
Water Impact Fees	303,000	510,700	2,476,480	2,109,780	900,000	1,576,480	275.16%
Sewer Impact Fees	147,450	203,400	1,194,470	876,858	600,000	594,470	199.08%
Pretreatment Fees	-	-	203,076	72,770	60,000	143,076	338.46%
Other Income	14,079	19,782	161,056	180,368	189,123	(28,067)	85.16%
Contribution	-	-	-	-	-	-	0.00%
Total Revenues	\$ 3,556,456	\$ 3,416,075	\$ 26,166,497	\$ 23,075,709	\$ 38,104,975	\$ (11,938,478)	68.67%
OPERATING EXPENSES:							
Administration	134,153	93,185	792,880	727,677	1,517,105	724,225	52.26%
Billing And Collection	76,662	81,244	482,569	520,680	986,221	503,652	48.93%
Meter Reading/Repairs	105,598	69,377	678,679	582,487	1,216,799	538,120	55.78%
Water Distribution	92,219	68,304	574,993	458,935	1,137,244	562,251	50.56%
Wastewater Collection	687,892	666,326	5,839,690	4,917,217	9,251,077	3,411,387	63.12%
Water Treatment	988,419	200,021	6,215,984	4,953,384	10,591,924	4,375,940	58.69%
Water Quality	71,912	44,587	354,467	310,823	565,347	210,880	62.70%
Water Demand Management	17,624	11,917	90,260	70,649	160,543	70,283	56.22%
Depreciation	314,066	303,387	2,222,275	2,194,195	-	(2,222,275)	0.00%
Total Operating Expenses	2,488,545	1,538,348	17,251,797	14,736,047	25,426,260	8,174,463	67.85%
OPERATING INCOME (LOSS)	1,067,911	1,877,727	8,914,700	8,339,662	12,678,715	(3,764,015)	
NONOPERATING REVENUES (EXPENSES):							
Non-Departmental	(89,172)	(70,322)	(800,033)	(579,430)	(6,671,154)	5,871,121	11.99%
Interest Revenue	5,926	-	9,616	7,597	24,000	(14,384)	40.07%
Debt Service	(94,241)	(119,656)	(659,686)	(837,594)	(3,465,000)	2,805,314	19.04%
Bad Debt Expense	-	-	-	-	(48,000)	48,000	0.00%
Net Nonoperating Revenues (Expenses)	(177,487)	(189,978)	(1,450,103)	(1,409,427)	(10,160,154)	8,710,051	14.27%
INCOME (LOSS) BEFORE OPERATING TRANSFERS	890,424	1,687,749	7,464,597	6,930,235	2,518,561	4,946,036	296.38%
OPERATING TRANSFERS:							
Transfers In (Out)	-	-	-	(331,095)	(2,518,561)	2,518,561	0.00%
Net Operating Transfers	-	-	-	(331,095)	(2,518,561)	2,518,561	0.00%
CHANGE IN NET POSITION	890,424	1,687,749	7,464,597	6,599,140	-	7,464,597	
NET POSITION, BEGINNING	234,905,585	213,608,013	228,331,412	208,696,622	228,331,412	-	
NET POSITON, ENDING	\$ 235,796,009	\$ 215,295,762	\$ 235,796,009	\$ 215,295,762	\$ 228,331,412	\$ 7,464,597	

CITY OF MANSFIELD  
UTILITY FUND  
REVENUE BOND COVERAGE

Definition of Bond Coverage:

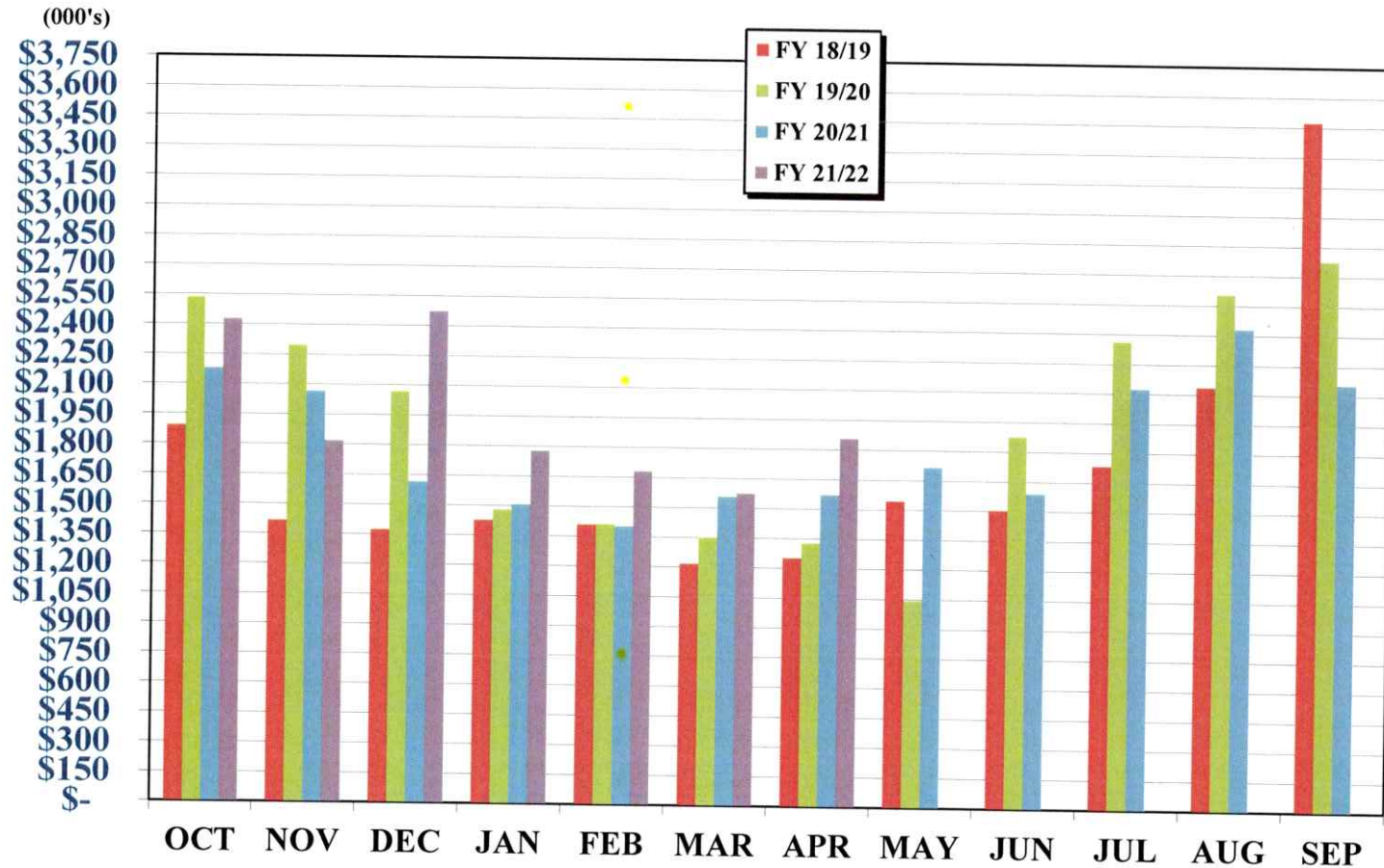
The ordinance authorizing the issuance of Water and Sewer System revenue bonds requires that the City establish a sinking fund (Revenue Bond Sinking and Reserve Fund) in an amount not less than the average annual requirement for the payment of principal and interest on all the revenue bonds. At September 30, 2021, the sinking fund balance was sufficient to satisfy such bond ordinance requirements. The bond ordinance also contains provisions which, among other items, restricts the issuance of additional revenue bonds unless the special funds noted above contain the required amounts and the pledged revenues are equal to or greater than 1.25 times the average annual debt service requirements after giving effect to the proposed additional bonds and any proposed rate increases. The bond ordinance also requires that the annual gross revenues of the Water and Sewer System, less annual operation and maintenance expenses (excluding depreciation and amortization expense), be at least 1.10 times the annual principal and interest requirements of all then outstanding revenue bonds. The governing body has adopted a resolution stating that they want a coverage factor in excess of 1.30. During 2021, the City achieved a 3.82 bond coverage ratio which exceeded the 1.10 required by the bond ordinance. For fiscal year 2022, the bond coverage ratio is projected at 3.67.





# CITY OF MANSFIELD

## UTILITY FUND - WATER SALES

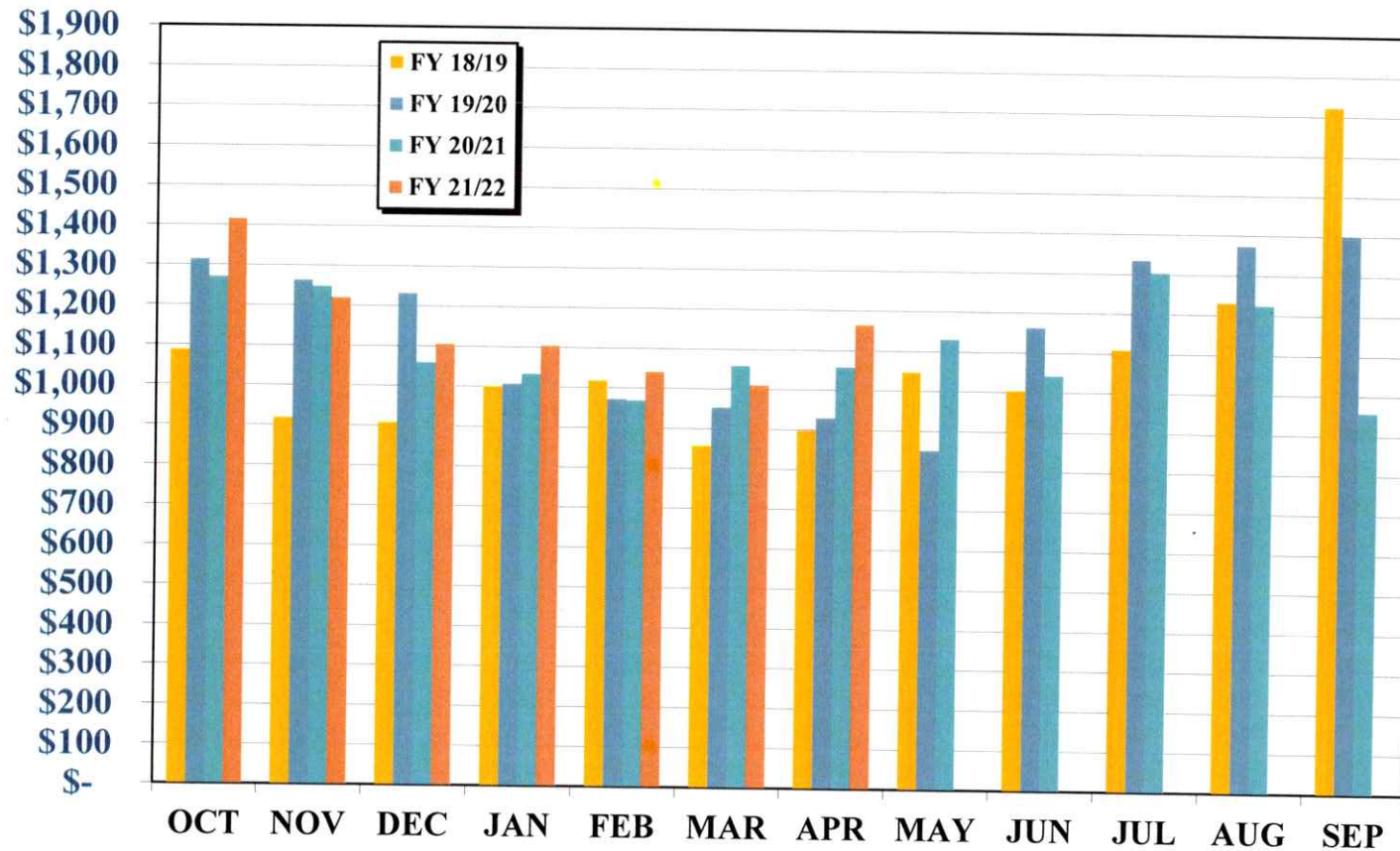




# CITY OF MANSFIELD

## UTILITY FUND - SEWER SERVICE

(000's)

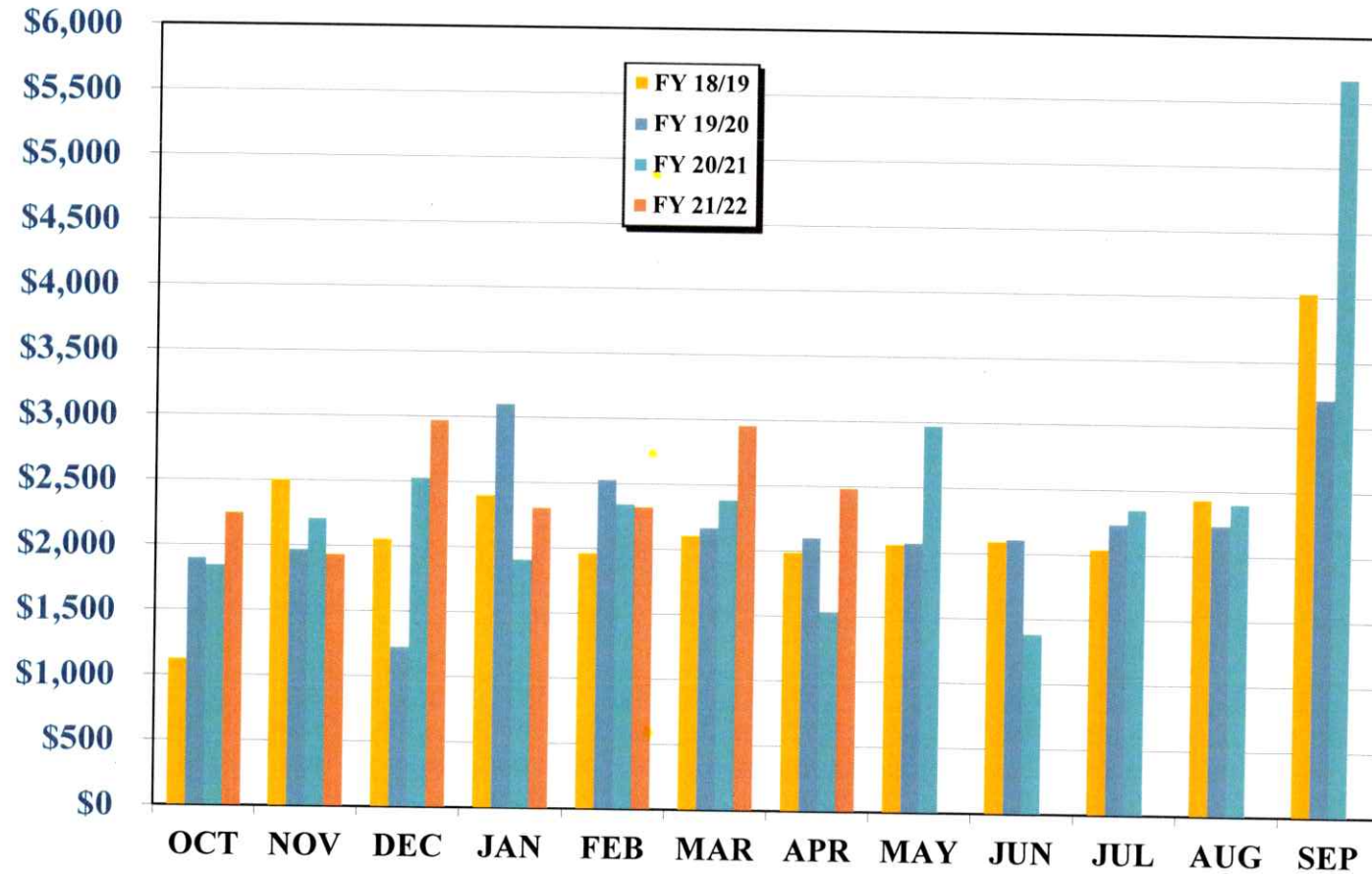




# CITY OF MANSFIELD

## UTILITY FUND - TOTAL REVENUES

(000's)

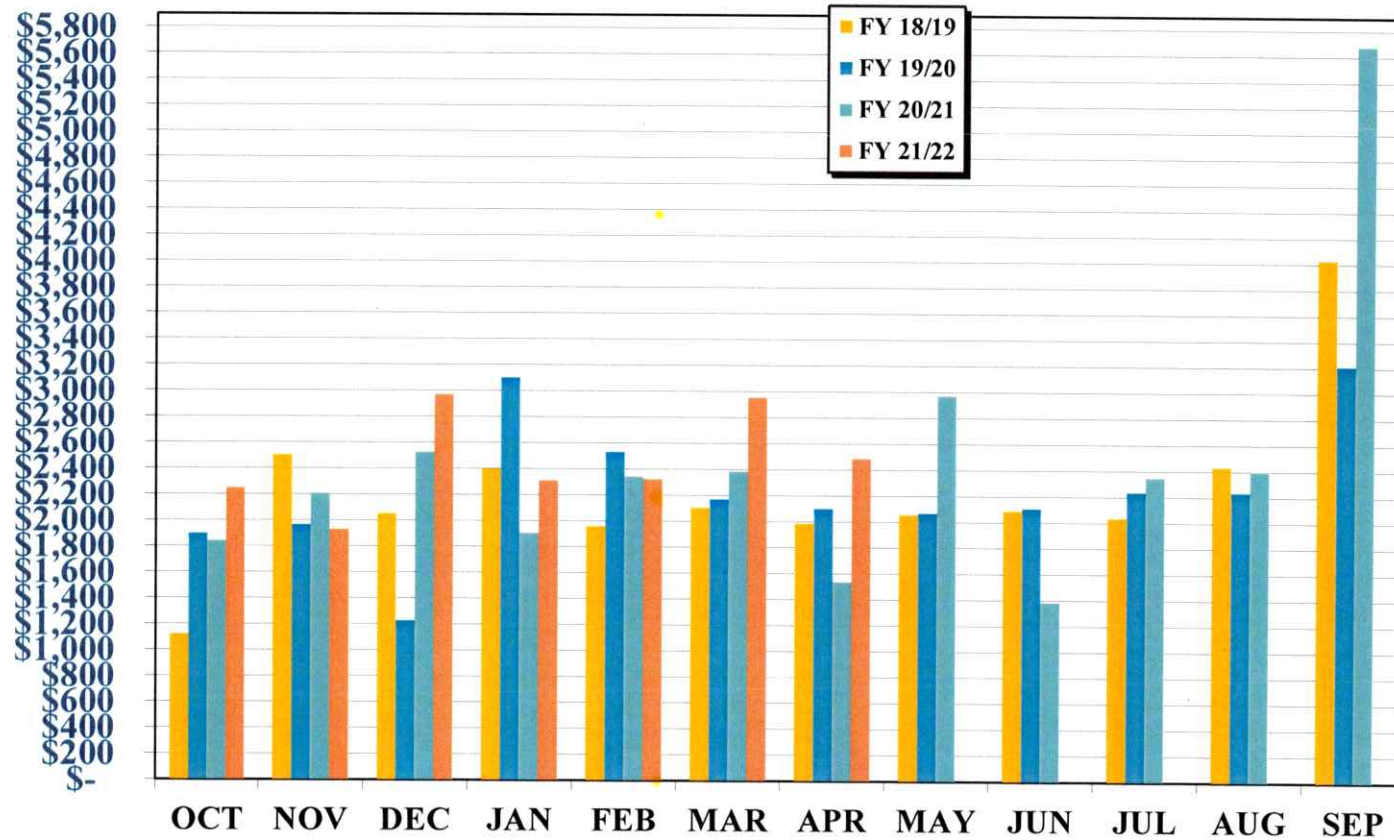




(000's)

# CITY OF MANSFIELD

## UTILITY OPERATING EXPENDITURES





City of Mansfield, Texas

**Comparative Statement of Net Position**  
**April 30, 2022 and 2021 (Unaudited)**

<b>Drainage Utility Fund</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
<u>ASSETS</u>		
Cash And Investments	\$ 5,552,320	\$ 5,088,304
Accounts Receivable	252,037	310,231
Restricted Assets:		
Cash and Investments	343,821	337,273
Fixed Assets (Net of accumulated depreciation)	<u>8,616,183</u>	<u>8,676,636</u>
Total Assets	<u>14,764,361</u>	<u>14,412,444</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred pension contributions	54,279	47,806
Deferred OPEB contributions	10,912	23,151
Deferred investment losses	-	4,167
Deferred assumption changes	5,626	3,020
Deferred actuarial experience	109,438	113,466
Deferred loss on refunding	<u>71,480</u>	<u>95,307</u>
Total deferred outflows of resources	<u>251,735</u>	<u>286,917</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 15,016,096</u>	<u>\$ 14,699,361</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 3,794	\$ 3,875
Accrued Liabilities	78,935	57,335
Retainage Payable	9,261	5,126
Bond Payable	1,875,000	2,315,000
Accrued Interest Payable	16,678	19,938
Unamortized Discounts on Bonds	(14,363)	(18,334)
Unamortized Premiums on Bonds	16,662	23,134
Total OPEB liability	19,781	12,500
Net OPEB liability	217,226	448,915
Net pension liability	<u>230,794</u>	<u>208,350</u>
Total Liabilities	<u>2,453,768</u>	<u>3,075,839</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred assumption changes	9,616	10,611
Deferred investment gains	80,501	49,875
Deferred actuarial experience	8,526	6,017
Plan Changes	<u>295,535</u>	<u>-</u>
Total deferred inflows of resources	<u>394,178</u>	<u>66,503</u>
<u>NET POSITION</u>		
Invested in Capital Assets (net of related debt)	6,465,364	6,452,742
Reserved for Debt Service	360,499	357,211
Unrestricted	<u>5,342,287</u>	<u>4,747,066</u>
Total Net Position	<u>12,168,150</u>	<u>11,557,019</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 15,016,096</u>	<u>\$ 14,699,361</u>



City of Mansfield, Texas

**Comparative Statement of Activities**  
**For the Month and Seven Months Ended April 30, 2022 and 2021 (Unaudited)**

<b>Drainage Utility Fund</b>	<b>FY22 MONTH TO DATE</b>	<b>FY21 MONTH TO DATE</b>	<b>FY22 YEAR TO DATE</b>	<b>FY21 YEAR TO DATE</b>
OPERATING REVENUES:				
Contributions	\$ -	\$ -	\$ -	\$ -
Licenses Fee-Gaswells/Pipelines	-	-	-	-
Drainage Fee	231,236	226,751	1,610,501	1,571,977
Total Operating Revenues	231,236	226,751	1,610,501	1,571,977
OPERATING EXPENSES:				
Administration	114,408	69,314	570,644	478,722
General Maintenance	24,863	15,885	167,732	13,147
Depreciation	17,762	14,871	123,691	103,966
Total Operating Expenses	157,033	100,070	862,067	595,835
OPERATING INCOME (LOSS)	74,203	126,681	748,434	976,142
NONOPERATING REVENUES (EXPENSES):				
Interest Revenue	264	9	400	334
Other Income	-	4,650	8,997	7,114
Amortization	-	-	-	-
Interest and fiscal charges	(5,559)	(6,646)	(40,605)	(48,212)
Net Nonoperating Revenue	(5,295)	(1,987)	(31,208)	(40,764)
INCOME (LOSS) BEFORE OPERATING TRANSFERS	68,908	124,694	717,226	935,378
OPERATING TRANSFERS				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Net Operating Transfers	-	-	-	-
CHANGE IN NET POSITION	68,908	124,694	717,226	935,378
NET POSITION, BEGINNING	12,099,242	11,432,325	11,450,924	10,621,641
NET POSITION, ENDING	\$ 12,168,150	\$ 11,557,019	\$ 12,168,150	\$ 11,557,019

CITY OF MANSFIELD, TEXAS  
SALES TAX COMPARISON  
INFORMATION

**GENERAL FUND  
YEAR TO DATE SALES TAX COMPARISON  
OCTOBER 2021 TO SEPTEMBER 2022**

MONTH	FY21	FY22	DOLLAR VALUE INCREASE (DECREASE) FY 2021/2022	PERCENTAGE INCREASE (DECREASE) FY 2021/2022
OCTOBER	1,088,496.91	1,316,775.91	228,279.00	20.97%
NOVEMBER	1,419,747.37	1,635,390.33	215,642.96	15.19%
DECEMBER	1,137,620.48	1,341,435.44	203,814.96	17.92%
JANUARY	1,158,578.39	1,433,583.81	275,005.42	23.74%
FEBRUARY	1,595,982.42	1,842,127.98	246,145.56	15.42%
MARCH	1,112,384.55	1,281,261.21	168,876.66	15.18%
Subtotal	7,512,810.12	8,850,574.68	1,337,764.56	17.81%
APRIL	971,449.77	1,128,248.42	156,798.65	16.14%
MAY			0.00	
JUNE			0.00	
JULY			0.00	
AUGUST			0.00	
SEPTEMBER			0.00	
YTD TOTAL	8,484,259.89	9,978,823.10	1,494,563.21	17.62%
BUDGET		14,951,607.00		
OVER/(UNDER) BUDGET		(4,972,783.91)		

MANSFIELD PARKS FACILITIES DEVELOPMENT CORP.  
YEAR TO DATE SALES TAX COMPARISON  
OCTOBER 2021  
TO SEPTEMBER 2022

MONTH	FY21	FY22	DOLLAR VALUE INCREASE (DECREASE) FY 2021/2022	PERCENTAGE INCREASE (DECREASE) FY 2021/2022
OCTOBER	544,248.46	658,387.96	114,139.50	20.97%
NOVEMBER	709,873.69	817,695.17	107,821.48	15.19%
DECEMBER	568,810.24	670,717.72	101,907.48	17.92%
JANUARY	579,289.19	716,791.90	137,502.71	23.74%
FEBRUARY	797,991.21	921,063.98	123,072.77	15.42%
MARCH	556,192.28	640,630.60	84,438.32	15.18%
Subtotal	3,756,405.07	4,425,287.33	668,882.26	17.81%
APRIL	485,724.89	564,124.21	78,399.32	16.14%
MAY			0.00	
JUNE			0.00	
JULY			0.00	
AUGUST			0.00	
SEPTEMBER			0.00	
YTD TOTAL	4,242,129.96	4,989,411.54	747,281.58	17.62%

**MANSFIELD ECONOMIC DEVELOPMENT CORP.  
YEAR TO DATE SALES TAX COMPARISON  
OCTOBER 2021 TO SEPTEMBER 2022**

MONTH	FY21	FY22	DOLLAR VALUE INCREASE (DECREASE) FY 2021/2022	PERCENTAGE INCREASE (DECREASE) FY 2021/2022
OCTOBER	544,248.46	658,387.96	114,139.50	20.97%
NOVEMBER	709,873.69	817,695.16	107,821.47	15.19%
DECEMBER	568,810.24	670,712.72	101,902.48	17.92%
JANUARY	579,289.19	716,791.90	137,502.71	23.74%
FEBRUARY	797,991.21	921,063.99	123,072.78	15.42%
MARCH	556,192.28	640,630.60	84,438.32	15.18%
Subtotal	3,756,405.07	4,425,282.33	668,877.26	17.81%
APRIL	485,724.89	564,124.21	78,399.32	16.14%
MAY			0.00	
JUNE			0.00	
JULY			0.00	
AUGUST			0.00	
SEPTEMBER			0.00	
YTD TOTAL	4,242,129.96	4,989,406.54	747,276.58	17.62%



GENERAL FUND  
MANSFIELD PARKS DEVELOPMENT CORP.  
AND  
MANSFIELD ECONOMIC DEVELOPMENT CORP.  
COMBINED TOTAL YEAR TO DATE SALES TAX COMPARISON  
OCTOBER 2021 TO SEPTEMBER 2022

MONTH	FY21	FY22	DOLLAR VALUE INCREASE (DECREASE) FY 2021/2022	PERCENTAGE INCREASE (DECREASE) FY 2021/2022
OCTOBER	2,176,993.83	2,633,551.82	456,557.99	20.97%
NOVEMBER	2,839,494.75	3,270,780.66	431,285.91	15.19%
DECEMBER	2,275,240.96	2,682,870.88	407,629.92	17.92%
JANUARY	2,317,156.77	2,867,167.61	550,010.84	23.74%
FEBRUARY	3,191,964.84	3,684,255.95	492,291.11	15.42%
MARCH	2,224,769.10	2,562,522.41	337,753.31	15.18%
Subtotal	15,025,620.25	17,701,149.33	2,675,529.08	17.81%
APRIL	1,942,899.54	2,256,496.84	313,597.30	16.14%
MAY			0.00	
JUNE			0.00	
JULY			0.00	
AUGUST			0.00	
SEPTEMBER			0.00	
YTD TOTAL	16,968,519.79	19,957,646.17	2,989,126.38	17.62%
BUDGET		29,903,214.00		
OVER/(UNDER) BUDGET		(9,945,567.83)		

## SCHEDULE OF INVESTMENTS



## **INVESTMENT OFFICERS' REPORT**

This report is prepared in accordance with the Public funds Investment Act ("Act"), Chapter 2256 of Title 10 of the Government Code. This Act prescribes the investment of funds in the custody of a district or authority created under Article XVI, Section 59, of the Texas Constitution. Section 2256.023(a) of the Act states that "not less than quarterly the investment officers shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period." This report covers the month of April for Fiscal Year 2022.

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Bryan Rebel  
Investment Officer

City of Mansfield  
 Portfolio Holdings  
 Tracker Portfolio Set Up - by Issuer  
 Report Format: By Transaction  
 Group By: Issuer  
 Average By: Face Amount / Shares  
 Portfolio / Report Group: All Portfolios  
 As of 4/30/2022

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio	Portfolio Name
<b>AIM Invesco</b>												
AIM Invesco MM	AIM	9/30/1999	0.240	468,173.70	468,173.70	468,173.70	468,173.70	N/A	1		0.64	15 - Street Construction
<b>Sub Total / Average AIM Invesco</b>			<b>0.240</b>	<b>468,173.70</b>	<b>468,173.70</b>	<b>468,173.70</b>	<b>468,173.70</b>		<b>1</b>	<b>0.00</b>	<b>0.64</b>	
<b>CLASS</b>												
CLASS LGIP	CLASS	5/27/2021	0.472	3,261,438.51	3,261,438.51	3,261,438.51	3,261,438.51	N/A	1		4.45	110 - ARPA
<b>Sub Total / Average CLASS</b>			<b>0.472</b>	<b>3,261,438.51</b>	<b>3,261,438.51</b>	<b>3,261,438.51</b>	<b>3,261,438.51</b>		<b>1</b>	<b>0.00</b>	<b>4.45</b>	
<b>Nations Funds</b>												
Nations Funds MM	MF0008	10/25/1999	0.277	26,608.51	26,608.51	26,608.51	26,608.51	N/A	1		0.04	06 - Tree Mitigation
Nations Funds MM	MF0008	10/25/1999	0.277	152,244.76	152,244.76	152,244.76	152,244.76	N/A	1		0.21	39 - Economic Development
Nations Funds MM	MF0008	10/25/1999	0.277	2,292,972.78	2,292,972.78	2,292,972.78	2,292,972.78	N/A	1		3.13	23 - Mansfield Parks 1/2 Sales Tax
Nations Funds MM	MF0008	10/25/1999	0.277	445,710.11	445,710.11	445,710.11	445,710.11	N/A	1		0.61	10 - Debt Services
Nations Funds MM	MF0008	10/25/1999	0.277	606,983.31	606,983.31	606,983.31	606,983.31	N/A	1		0.83	24 - Mansfield Parks Land Dedication
Nations Funds MM	MF0008	10/25/1999	0.277	1,457,915.84	1,457,915.84	1,457,915.84	1,457,915.84	N/A	1		1.99	28 - Utility Construction Fund 28
Nations Funds MM	MF0008	10/25/1999	0.277	3,362,956.67	3,362,956.67	3,362,956.67	3,362,956.67	N/A	1		4.58	15 - Street Construction
Nations Funds MM	MF0008	10/25/1999	0.277	4,875,231.45	4,875,231.45	4,875,231.45	4,875,231.45	N/A	1		6.65	25 - Water & Sewer
Nations Funds MM	MF0008	10/25/1999	0.277	4,170,027.51	4,170,027.51	4,170,027.51	4,170,027.51	N/A	1		5.68	01 - General Fund
Nations Funds MM	MF0008	4/11/2012	0.277	3,010,154.06	3,010,154.06	3,010,154.06	3,010,154.06	N/A	1		4.10	27 - Revenue Bond Reserve
Nations Funds MM	MF0008	8/1/2016	0.277	1,542,782.34	1,542,782.34	1,542,782.34	1,542,782.34	N/A	1		2.10	86 - 2016 Streets Construction
Nations Funds MM	MF0008	8/1/2016	0.277	1,616,498.87	1,616,498.87	1,616,498.87	1,616,498.87	N/A	1		2.20	309 - Library Expansion
Nations Funds MM	MF0008	12/1/2017	0.277	25,970.53	25,970.53	25,970.53	25,970.53	N/A	1		0.04	87 - 2017 Streets Construction
Nations Funds MM	MF0008	7/2/2018	0.277	1,600,644.22	1,600,644.22	1,600,644.22	1,600,644.22	N/A	1		2.18	873 - MEDC Construction
<b>Sub Total / Average Nations Funds</b>			<b>0.277</b>	<b>25,186,700.96</b>	<b>25,186,700.96</b>	<b>25,186,700.96</b>	<b>25,186,700.96</b>		<b>1</b>	<b>0.00</b>	<b>34.33</b>	
<b>TexStar</b>												
TexStar LGIP	TEXSTAR	11/2/2012	0.323	53,869.89	53,869.89	53,869.89	53,869.89	N/A	1		0.07	10 - Debt Services

Description	CUSIP/Ticker	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio	Portfolio Name
TexStar LGIP	TEXSTAR	11/2/2012	0.323	7,303,894.50	7,303,894.50	7,303,894.50	7,303,894.50	N/A	1		9.96	28 - Utility Construction Fund 28
TexStar LGIP	TEXSTAR	11/2/2012	0.323	2,443,044.35	2,443,044.35	2,443,044.35	2,443,044.35	N/A	1		3.33	23 - Mansfield Parks 1/2 Sales Tax
TexStar LGIP	TEXSTAR	11/2/2012	0.323	1,516,812.13	1,516,812.13	1,516,812.13	1,516,812.13	N/A	1		2.07	81 - Street Construction 2012 Issue
TexStar LGIP	TEXSTAR	11/2/2012	0.323	1,063,925.91	1,063,925.91	1,063,925.91	1,063,925.91	N/A	1		1.45	24 - Mansfield Parks Land Dedication
TexStar LGIP	TEXSTAR	11/2/2012	0.323	997,449.93	997,449.93	997,449.93	997,449.93	N/A	1		1.36	19 - Drainage Utility Fund
TexStar LGIP	TEXSTAR	11/2/2012	0.323	1,484,733.52	1,484,733.52	1,484,733.52	1,484,733.52	N/A	1		2.02	50 - TIF
TexStar LGIP	TEXSTAR	11/2/2012	0.323	833,301.78	833,301.78	833,301.78	833,301.78	N/A	1		1.14	39 - Economic Development
TexStar LGIP	TEXSTAR	11/2/2012	0.323	8,504,268.32	8,504,268.32	8,504,268.32	8,504,268.32	N/A	1		11.59	01 - General Fund
TexStar LGIP	TEXSTAR	11/2/2012	0.323	1,957,093.94	1,957,093.94	1,957,093.94	1,957,093.94	N/A	1		2.67	15 - Street Construction
TexStar LGIP	TEXSTAR	11/2/2012	0.323	79,629.29	79,629.29	79,629.29	79,629.29	N/A	1		0.11	16 - Building Construction
TexStar LGIP	TEXSTAR	11/2/2012	0.323	231,654.74	231,654.74	231,654.74	231,654.74	N/A	1		0.32	38 - MEDC I&S Fund
TexStar LGIP	TEXSTAR	11/2/2012	0.323	11,282,548.77	11,282,548.77	11,282,548.77	11,282,548.77	N/A	1		15.38	25 - Water & Sewer
TexStar LGIP	TEXSTAR	1/8/2014	0.323	4,839.55	4,839.55	4,839.55	4,839.55	N/A	1		0.01	22 - Equipment Replacement
TexStar LGIP	TEXSTAR	11/30/2014	0.323	583,466.84	583,466.84	583,466.84	583,466.84	N/A	1		0.80	08 - Hotel
TexStar LGIP	TEXSTAR	8/31/2016	0.323	972,575.64	972,575.64	972,575.64	972,575.64	N/A	1		1.33	86 - 2016 Streets Construction
TexStar LGIP	TEXSTAR	12/31/2017	0.323	3,437,555.13	3,437,555.13	3,437,555.13	3,437,555.13	N/A	1		4.69	87 - 2017 Streets Construction
TexStar LGIP	TEXSTAR	7/31/2018	0.323	1,689,073.75	1,689,073.75	1,689,073.75	1,689,073.75	N/A	1		2.30	873 - MEDC Construction
<b>Sub Total / Average TexStar</b>			<b>0.323</b>	<b>44,439,737.98</b>	<b>44,439,737.98</b>	<b>44,439,737.98</b>	<b>44,439,737.98</b>		<b>1</b>	<b>0.00</b>	<b>60.58</b>	
<b>Total / Average</b>			<b>0.313</b>	<b>73,356,051.15</b>	<b>73,356,051.15</b>	<b>73,356,051.15</b>	<b>73,356,051.15</b>		<b>1</b>	<b>0.00</b>	<b>100</b>	



City of Mansfield  
 Portfolio Holdings  
 Tracker Portfolio Set Up - by Portfolio (Fund)  
 Report Format: By Transaction  
 Group By: Portfolio Name  
 Average By: Face Amount / Shares  
 Portfolio / Report Group: All Portfolios  
 As of 4/30/2022

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
<b>01 - General Fund</b>												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	4,170,027.51	4,170,027.51	4,170,027.51	4,170,027.51	N/A	1		5.68
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	8,504,268.32	8,504,268.32	8,504,268.32	8,504,268.32	N/A	1		11.59
<b>Sub Total / Average 01 - General Fund</b>				<b>0.308</b>	<b>12,674,295.83</b>	<b>12,674,295.83</b>	<b>12,674,295.83</b>	<b>12,674,295.83</b>		<b>1</b>	<b>0.00</b>	<b>17.28</b>
<b>06 - Tree Mitigation</b>												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	26,608.51	26,608.51	26,608.51	26,608.51	N/A	1		0.04
<b>Sub Total / Average 06 - Tree Mitigation</b>				<b>0.277</b>	<b>26,608.51</b>	<b>26,608.51</b>	<b>26,608.51</b>	<b>26,608.51</b>		<b>1</b>	<b>0.00</b>	<b>0.04</b>
<b>08 - Hotel</b>												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/30/2014	0.323	583,466.84	583,466.84	583,466.84	583,466.84	N/A	1		0.80
<b>Sub Total / Average 08 - Hotel</b>				<b>0.323</b>	<b>583,466.84</b>	<b>583,466.84</b>	<b>583,466.84</b>	<b>583,466.84</b>		<b>1</b>	<b>0.00</b>	<b>0.80</b>
<b>10 - Debt Services</b>												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	445,710.11	445,710.11	445,710.11	445,710.11	N/A	1		0.61
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	53,869.89	53,869.89	53,869.89	53,869.89	N/A	1		0.07
<b>Sub Total / Average 10 - Debt Services</b>				<b>0.282</b>	<b>499,580.00</b>	<b>499,580.00</b>	<b>499,580.00</b>	<b>499,580.00</b>		<b>1</b>	<b>0.00</b>	<b>0.68</b>
<b>110 - ARPA</b>												
CLASS LGIP	CLASS	Local Government Investment Pool	5/27/2021	0.472	3,261,438.51	3,261,438.51	3,261,438.51	3,261,438.51	N/A	1		4.45
<b>Sub Total / Average 110 - ARPA</b>				<b>0.472</b>	<b>3,261,438.51</b>	<b>3,261,438.51</b>	<b>3,261,438.51</b>	<b>3,261,438.51</b>		<b>1</b>	<b>0.00</b>	<b>4.45</b>
<b>15 - Street Construction</b>												
AIM Invesco MM	AIM	Money Market	9/30/1999	0.240	468,173.70	468,173.70	468,173.70	468,173.70	N/A	1		0.64
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	3,362,956.67	3,362,956.67	3,362,956.67	3,362,956.67	N/A	1		4.58
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	1,957,093.94	1,957,093.94	1,957,093.94	1,957,093.94	N/A	1		2.67
<b>Sub Total / Average 15 - Street Construction</b>				<b>0.290</b>	<b>5,788,224.31</b>	<b>5,788,224.31</b>	<b>5,788,224.31</b>	<b>5,788,224.31</b>		<b>1</b>	<b>0.00</b>	<b>7.89</b>
<b>16 - Building Construction</b>												

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	79,629.29	79,629.29	79,629.29	79,629.29	N/A	1		0.11
<b>Sub Total / Average 16 - Building Construction</b>				<b>0.323</b>	<b>79,629.29</b>	<b>79,629.29</b>	<b>79,629.29</b>	<b>79,629.29</b>		<b>1</b>	<b>0.00</b>	<b>0.11</b>
<b>19 - Drainage Utility Fund</b>												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	997,449.93	997,449.93	997,449.93	997,449.93	N/A	1		1.36
<b>Sub Total / Average 19 - Drainage Utility Fund</b>				<b>0.323</b>	<b>997,449.93</b>	<b>997,449.93</b>	<b>997,449.93</b>	<b>997,449.93</b>		<b>1</b>	<b>0.00</b>	<b>1.36</b>
<b>22 - Equipment Replacement</b>												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	1/8/2014	0.323	4,839.55	4,839.55	4,839.55	4,839.55	N/A	1		0.01
<b>Sub Total / Average 22 - Equipment Replacement</b>				<b>0.323</b>	<b>4,839.55</b>	<b>4,839.55</b>	<b>4,839.55</b>	<b>4,839.55</b>		<b>1</b>	<b>0.00</b>	<b>0.01</b>
<b>23 - Mansfield Parks 1/2 Sales Tax</b>												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	2,292,972.78	2,292,972.78	2,292,972.78	2,292,972.78	N/A	1		3.13
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	2,443,044.35	2,443,044.35	2,443,044.35	2,443,044.35	N/A	1		3.33
<b>Sub Total / Average 23 - Mansfield Parks 1/2 Sales Tax</b>				<b>0.301</b>	<b>4,736,017.13</b>	<b>4,736,017.13</b>	<b>4,736,017.13</b>	<b>4,736,017.13</b>		<b>1</b>	<b>0.00</b>	<b>6.46</b>
<b>24 - Mansfield Parks Land Dedication</b>												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	606,983.31	606,983.31	606,983.31	606,983.31	N/A	1		0.83
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	1,063,925.91	1,063,925.91	1,063,925.91	1,063,925.91	N/A	1		1.45
<b>Sub Total / Average 24 - Mansfield Parks Land Dedication</b>				<b>0.306</b>	<b>1,670,909.22</b>	<b>1,670,909.22</b>	<b>1,670,909.22</b>	<b>1,670,909.22</b>		<b>1</b>	<b>0.00</b>	<b>2.28</b>
<b>25 - Water &amp; Sewer</b>												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	4,875,231.45	4,875,231.45	4,875,231.45	4,875,231.45	N/A	1		6.65
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	11,282,548.77	11,282,548.77	11,282,548.77	11,282,548.77	N/A	1		15.38
<b>Sub Total / Average 25 - Water &amp; Sewer</b>				<b>0.309</b>	<b>16,157,780.22</b>	<b>16,157,780.22</b>	<b>16,157,780.22</b>	<b>16,157,780.22</b>		<b>1</b>	<b>0.00</b>	<b>22.03</b>
<b>27 - Revenue Bond Reserve</b>												
Nations Funds MM	MF0008	Money Market	4/11/2012	0.277	3,010,154.06	3,010,154.06	3,010,154.06	3,010,154.06	N/A	1		4.10
<b>Sub Total / Average 27 - Revenue Bond Reserve</b>				<b>0.277</b>	<b>3,010,154.06</b>	<b>3,010,154.06</b>	<b>3,010,154.06</b>	<b>3,010,154.06</b>		<b>1</b>	<b>0.00</b>	<b>4.10</b>
<b>28 - Utility Construction Fund 28</b>												

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	1,457,915.84	1,457,915.84	1,457,915.84	1,457,915.84	N/A	1		1.99
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	7,303,894.50	7,303,894.50	7,303,894.50	7,303,894.50	N/A	1		9.96
<b>Sub Total / Average 28 - Utility Construction Fund 28</b>				<b>0.315</b>	<b>8,761,810.34</b>	<b>8,761,810.34</b>	<b>8,761,810.34</b>	<b>8,761,810.34</b>		<b>1</b>	<b>0.00</b>	<b>11.94</b>
<b>309 - Library Expansion</b>												
Nations Funds MM	MF0008	Money Market	8/1/2016	0.277	1,616,498.87	1,616,498.87	1,616,498.87	1,616,498.87	N/A	1		2.20
<b>Sub Total / Average 309 - Library Expansion</b>				<b>0.277</b>	<b>1,616,498.87</b>	<b>1,616,498.87</b>	<b>1,616,498.87</b>	<b>1,616,498.87</b>		<b>1</b>	<b>0.00</b>	<b>2.20</b>
<b>38 - MEDC I&amp;S Fund</b>												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	231,654.74	231,654.74	231,654.74	231,654.74	N/A	1		0.32
<b>Sub Total / Average 38 - MEDC I&amp;S Fund</b>				<b>0.323</b>	<b>231,654.74</b>	<b>231,654.74</b>	<b>231,654.74</b>	<b>231,654.74</b>		<b>1</b>	<b>0.00</b>	<b>0.32</b>
<b>39 - Economic Development</b>												
Nations Funds MM	MF0008	Money Market	10/25/1999	0.277	152,244.76	152,244.76	152,244.76	152,244.76	N/A	1		0.21
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	833,301.78	833,301.78	833,301.78	833,301.78	N/A	1		1.14
<b>Sub Total / Average 39 - Economic Development</b>				<b>0.316</b>	<b>985,546.54</b>	<b>985,546.54</b>	<b>985,546.54</b>	<b>985,546.54</b>		<b>1</b>	<b>0.00</b>	<b>1.34</b>
<b>50 - TIF</b>												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	1,484,733.52	1,484,733.52	1,484,733.52	1,484,733.52	N/A	1		2.02
<b>Sub Total / Average 50 - TIF</b>				<b>0.323</b>	<b>1,484,733.52</b>	<b>1,484,733.52</b>	<b>1,484,733.52</b>	<b>1,484,733.52</b>		<b>1</b>	<b>0.00</b>	<b>2.02</b>
<b>81 - Street Construction 2012 Issue</b>												
TexStar LGIP	TEXSTAR	Local Government Investment Pool	11/2/2012	0.323	1,516,812.13	1,516,812.13	1,516,812.13	1,516,812.13	N/A	1		2.07
<b>Sub Total / Average 81 - Street Construction 2012 Issue</b>				<b>0.323</b>	<b>1,516,812.13</b>	<b>1,516,812.13</b>	<b>1,516,812.13</b>	<b>1,516,812.13</b>		<b>1</b>	<b>0.00</b>	<b>2.07</b>
<b>86 - 2016 Streets Construction</b>												
Nations Funds MM	MF0008	Money Market	8/1/2016	0.277	1,542,782.34	1,542,782.34	1,542,782.34	1,542,782.34	N/A	1		2.10
TexStar LGIP	TEXSTAR	Local Government Investment Pool	8/31/2016	0.323	972,575.64	972,575.64	972,575.64	972,575.64	N/A	1		1.33
<b>Sub Total / Average 86 - 2016 Streets Construction</b>				<b>0.295</b>	<b>2,515,357.98</b>	<b>2,515,357.98</b>	<b>2,515,357.98</b>	<b>2,515,357.98</b>		<b>1</b>	<b>0.00</b>	<b>3.43</b>
<b>87 - 2017 Streets Construction</b>												
Nations Funds MM	MF0008	Money Market	12/1/2017	0.277	25,970.53	25,970.53	25,970.53	25,970.53	N/A	1		0.04

Description	CUSIP/Ticker	Security Type	Settlement Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Maturity Date	Days To Maturity	Accrued Interest	% of Portfolio
TexStar LGIP	TEXSTAR	Local Government Investment Pool	12/31/2017	0.323	3,437,555.13	3,437,555.13	3,437,555.13	3,437,555.13	N/A	1		4.69
<b>Sub Total / Average 87 - 2017 Streets Construction</b>				<b>0.322</b>	<b>3,463,525.66</b>	<b>3,463,525.66</b>	<b>3,463,525.66</b>	<b>3,463,525.66</b>		<b>1</b>	<b>0.00</b>	<b>4.72</b>
<b>873 - MEDC Construction</b>												
Nations Funds MM	MF0008	Money Market	7/2/2018	0.277	1,600,644.22	1,600,644.22	1,600,644.22	1,600,644.22	N/A	1		2.18
TexStar LGIP	TEXSTAR	Local Government Investment Pool	7/31/2018	0.323	1,689,073.75	1,689,073.75	1,689,073.75	1,689,073.75	N/A	1		2.30
<b>Sub Total / Average 873 - MEDC Construction</b>				<b>0.300</b>	<b>3,289,717.97</b>	<b>3,289,717.97</b>	<b>3,289,717.97</b>	<b>3,289,717.97</b>		<b>1</b>	<b>0.00</b>	<b>4.48</b>
<b>Total / Average</b>				<b>0.313</b>	<b>73,356,051.15</b>	<b>73,356,051.15</b>	<b>73,356,051.15</b>	<b>73,356,051.15</b>		<b>1</b>	<b>0.00</b>	<b>100</b>





Federal Reserve  
Bank of Dallas

FIRST QUARTER 2022

# Southwest Economy



## ▶ Students Cut College During Pandemic; Their Return Is Uncertain

### **PLUS**

- ▶ Turbulent Economy Tests Texans Who Lack Financial Knowledge
- ▶ Looking Back: Shale Oil Boom Gave Permian Basin a Second Life
- ▶ On the Record: Cross-Border Manufacturing Rises from Pandemic Lows
- ▶ Spotlight: New Mexico Marijuana Legalization's Costs, Benefits Remain Unclear
- ▶ Around the Region: Texas Reclaims Jobs Lost in Pandemic; Some Metros Still Trying to Catch Up





# Students Cut College During Pandemic; Their Return Is Uncertain

By Wenhua Di and Mytiah Caldwell

**ABSTRACT:** Postsecondary institutions suddenly closed their doors with the arrival of COVID-19 in March 2020. Two years later, the impacts are coming into focus. They include steeply declining college enrollment in Texas and across the country, with particularly noteworthy cuts among normally accessible community colleges. The results could portend a less-educated and less-nimble future workforce.

Colleges and universities abruptly emptied. Everything, it seemed, was online.

As COVID-19 spread across the U.S. in first quarter 2020, followed by waves of its variants, virtual instruction took hold and rolled on through the 2020–21 and 2021–22 academic years. Worrisome infection rates not only limited in-person learning, they also curtailed most campus activities—sports and entertainment included. The student experience was turned on its head in an era of evolving vaccine requirements and mask wearing.

Prospective college students faced another set of challenges. Successive classes of high school seniors lacked academic preparation for higher edu-

cation, let alone assistance navigating the college application process, while pandemic-related financial shocks put college further out of reach for some.

Two years into the pandemic, as the virus' impact recedes, the results have become clear: steeply declining college enrollment in Texas and across the country. Particularly noteworthy, normally accessible community colleges have experienced the greatest drop-off. The vanishing students portend a possibly less-educated and less-versatile future workforce.

## Enrollment Decline Quickens

Enrollment in fall 2021 for postsecondary education (colleges and universities) nationally declined 5.1

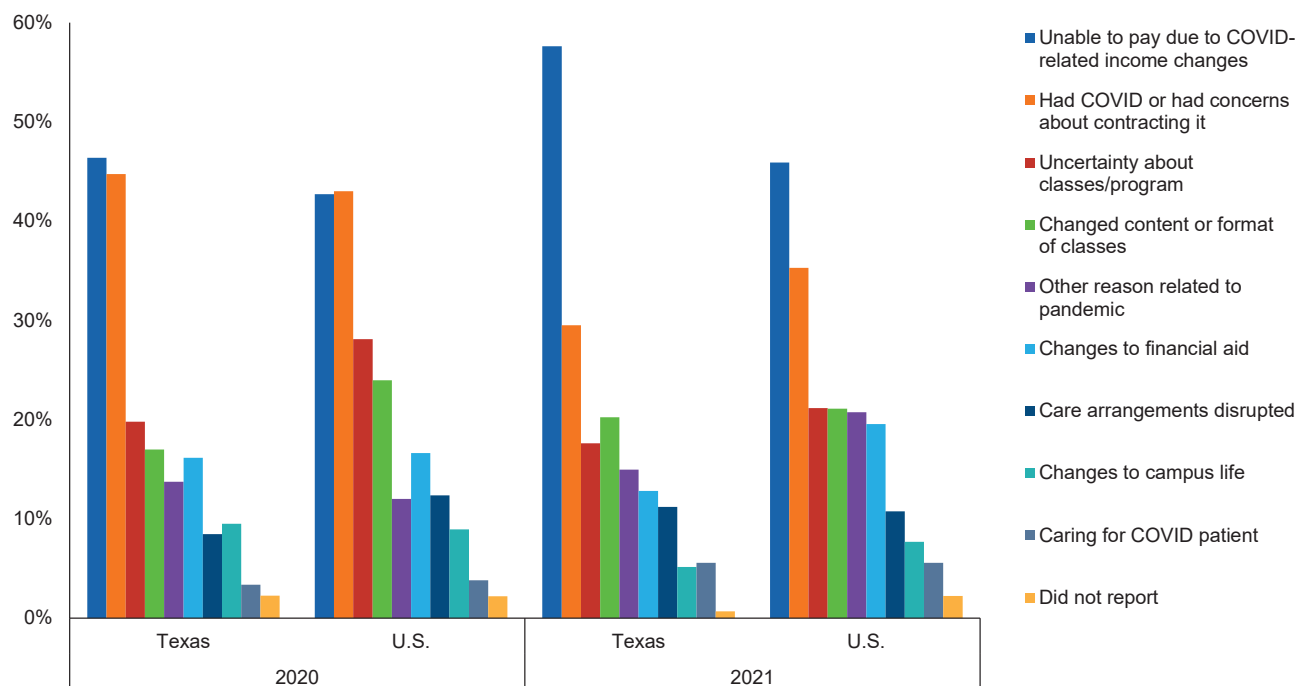
**TABLE 1** College Enrollment Declined During Pandemic

	Fall 2019	Fall 2021	Fall 2021 % change from fall 2019
<b>U.S.</b>			
Public 2-yr	5,368,470	4,662,364	-13.2
First-time freshmen (age 24 and younger)	759,649	626,017	-17.6
Public 4-yr	7,989,984	7,767,617	-2.8
First-time freshmen (age 24 and younger)	927,723	878,208	-5.3
Private nonprofit 4-yr	3,842,930	3,776,285	-1.7
First-time freshmen (age 24 and younger)	399,426	385,304	-3.5
<b>Total</b>	<b>18,239,874</b>	<b>17,302,364</b>	<b>-5.1</b>
First-time freshmen (age 24 and younger)	2,143,023	1,955,529	-8.7
<b>Texas</b>			
Public 2-yr	647,127	607,763	-6.1
Public 4-yr	704,194	668,881	-5.0
Private nonprofit 4-yr	125,156	121,131	-3.2
<b>Total</b>	<b>1,490,953</b>	<b>1,428,231</b>	<b>-4.2</b>

NOTES: Enrollment is for both undergraduate and graduate programs. First-time freshmen are undergraduate students entering college in the fall term for the first time. Total includes private for-profit, four-year institutions. SOURCES: "Overview: Fall 2021 Enrollment Estimates," National Student Clearinghouse; authors' calculations.

# CHART 1

## Inability to Pay Is Top Reason for Canceling College Plans in Pandemic



NOTES: Estimates are based on households with at least one adult who is taking or was planning on taking classes this term from a post-high school institution. Totals do not sum to 100 percent as respondents can choose multiple categories.

SOURCE: Census Bureau Household Pulse Survey, weeks 15 and 38.

percent from prior-year levels, the National Student Clearinghouse found (Table 1).<sup>1</sup> Although U.S. college enrollment was trending lower before the pandemic, the subsequent drop was much more pronounced.

Texas' population has grown faster than the nation. Despite this growing potential student pool, the state's total college enrollment fell 4.2 percent from 2019 to 2021, smaller than the national drop.

Community colleges in the state, like those in the nation, were particularly affected, with enrollment down 6.1 percent from fall 2019 levels. Meanwhile, Texas' four-year universities reported larger enrollment declines than their counterparts nationally. Before the pandemic, Texas enrollment was increasing in contrast to declines nationally.<sup>2</sup>

The pandemic recession—albeit a brief two months—differed from previous downturns with high unemployment. During those episodes,

people typically returned to school to build skills. This outcome, in contrast, resulted in lower postsecondary numbers. Public four-year enrollment decreased 2.8 percent nationally, while community colleges experienced a 13.2 percent decline over the pandemic's initial two years.

Undergraduate students entering college for the first time appear to have been more affected than other students. Enrollment among first-time freshmen, age 24 years and younger, declined by a larger percentage across all types of institutions, suggesting that the pandemic disproportionately disrupted college education for young adults.

### Why Not in School?

The Census Bureau's Household Pulse Surveys provide real-time insight into factors affecting postsecondary enrollment. The survey queries respondents online regarding economic experiences during the pandemic.

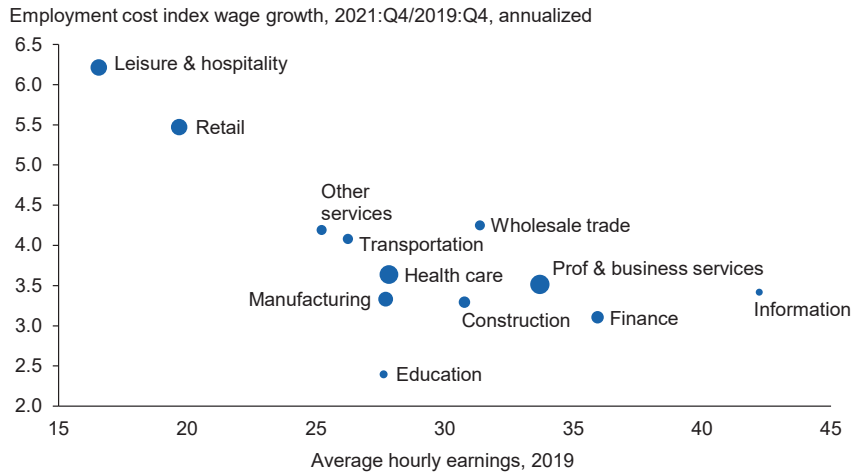
The survey asked whether adults in the respondent household had changed their college plans—if they had any—and the reasons for the changes. Data from survey periods (Sept. 16–28, 2020, and Sept. 15–27, 2021, weeks 15 and 38, respectively) highlight changes in fall college enrollment plans.<sup>3</sup>

Approximately 73 percent of all respondents who had college plans reported that they had changed them as of the fall term 2020; about one-third in Texas and nationwide reported canceling all plans.<sup>4</sup> Not all plan changes were cancellations. Many students took fewer (or more) classes, had classes in a different format or at a different institution or took classes for different kinds of certificates or degrees.

There were far fewer respondents to the fall 2021 Pulse survey, and many skipped the college plan questions. Still, the share reporting that they canceled college plans was about half that

## CHART 2

### Wages Jump Furthest in Low-Paying Sectors



NOTES: Data show the average of October–December 2021/October–December 2019 annualized growth by industry. Bubbles are weighted by share of total U.S. employment in December 2021.

SOURCES: Bureau of Labor Statistics; authors' calculations.

of the prior year—about 15 percent—in Texas and the U.S.<sup>5</sup>

The survey asked what prompted the changed college plans. Looking at those who opted not to enroll, the top reason was an inability to pay for school due to a pandemic-related income change (*Chart 1*).

COVID-19 illness or fear of catching the virus was the second-most cited reason for canceling college plans. Uncertainty about classes or programs was the third-most frequent reason, while changes in class content or format was the fourth-most noted reason for skipping college.

Texans were less likely to view the uncertainty, content or format changes as a negative factor, perhaps because the state's colleges returned to in-person classes sooner than those elsewhere.

What about leaving school for work opportunities? In the months after the pandemic's onset in spring 2020, labor markets quickly rebounded and demand for workers outpaced supply, particularly among lower-skill positions, for which pay quickly rose (*Chart 2*).

The survey did not directly ask about labor market opportunities, but for some potential students, plentiful employment openings and higher wages

for low-skill jobs might have made work more appealing than school. Among all age groups, employment rates in the pandemic recovered first for 16–19-year-olds. Those vulnerable to health risks or whose parents needed help with care for younger siblings though, may have opted to stay out of school and the job market.<sup>6</sup>

### Demographic Factors

The Pulse survey also sheds light on the role of demographics during the period. Applying regression analysis to the national data suggests that—all else

equal—cancellation of education plans is positively correlated with being Black or Hispanic. It is also positively correlated with lower income status. This is consistent with the pandemic's greater impact on community college enrollment, as these demographics comprise a larger share of students at two-year campuses.

Texas data, though less robust, yield a similar result. However, there is no correlation with being Hispanic.

### Impact Among Men

Men's college enrollment fell about twice as much as that of women during the pandemic (*Table 2*). Community college enrollment fell 16 percent for men compared with 11 percent among women. Men also drove the overall enrollment drop at four-year institutions.<sup>7</sup> This is consistent with a long-run trend of declining male college attendance.

Additionally, the decline is indicative of labor market opportunities that appeared following the onset of the pandemic. Job retention and creation was tilted toward male-dominated occupations, especially as women bore much of the burden of caring for children unable to attend in-person classes or daycare.<sup>8</sup>

Longer term, men have fallen behind women in college enrollment as access to higher education and the career path for women improved.<sup>9</sup> The share of men attending colleges and universities fell to 40.9 percent in fall 2020, from 42.3 percent in 2019 and 43.7 percent in 2015.<sup>10</sup>

## TABLE 2

### Men Far More Likely Than Women to Skip College in Pandemic

		Fall 2019	Fall 2021	Fall 2021 % change from fall 2019
Public 2-yr	Men	2,256,354	1,891,359	-16.2%
	Women	3,112,115	2,771,005	-11.0%
Public 4-yr	Men	3,477,314	3,296,535	-5.2%
	Women	4,512,670	4,471,082	-0.9%
Private nonprofit 4-yr	Men	1,535,530	1,485,664	-3.2%
	Women	2,307,400	2,290,620	-0.7%
Total	Men	7,606,756	7,059,178	-7.2%
	Women	10,633,118	10,243,187	-3.7%

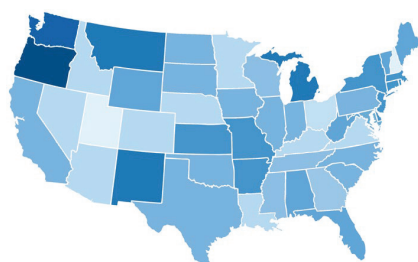
NOTE: Enrollment for both undergraduate and graduate programs are included.

SOURCE: "Overview: Fall 2021 Enrollment Estimates," National Student Clearinghouse.

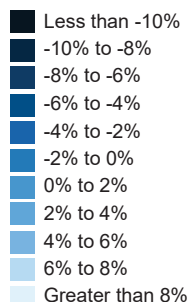
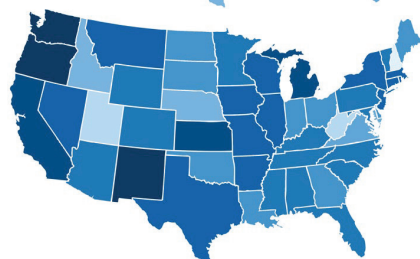
# CHART 3

## Male College Enrollment Decline Outpaces Female Drop

**A. Female Enrollment Changes from Fall 2019 to Fall 2020**



**B. Male Enrollment Changes from Fall 2019 to Fall 2020**



NOTE: This information is based on data collected from Title IV institutions in the United States.  
SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), Fall Enrollment 2020 provisional data.

State-level enrollment data by gender are available only until fall 2020 (*Chart 3*). The male decline accelerated for almost all states from fall 2019 to fall 2020. In Texas, undergraduate enrollment fell 6.4 percent for men and 1.1 percent for women.

Meanwhile, the labor force participation rate for Texas men ages 18 to 24 generally exceeded that of women during the pandemic (*Chart 4*).<sup>11</sup> To the degree that labor shortages helped prompt some prospective students to not pursue a college education, they may motivate more men than women.

### Loan Payment Relief

While some students canceled college plans due to an inability to pay, aid to students and institutions actually increased during the pandemic. Qualified federal student loan payments were suspended at a zero-interest rate beginning in March 2020 under the Coronavirus Aid, Relief and Economic Security (CARES) Act and Department of Education administrative acts.<sup>12</sup>

Collections also stopped on defaulted loans.<sup>13</sup> Thus, the unpaid outstanding student loan balance grew, totaling

\$1.6 trillion in third quarter 2021, despite a decrease in borrowing.<sup>14</sup> Borrowers with large loan balances or with obligations in distress have benefited most from the pause in payments. Delinquencies will likely reappear in credit reports when repayment obligation resumes in May 2022.<sup>15</sup>

Student loan originations declined in response to the falling college enrollment. The number of new student loan borrowers fell in the past two academic years in Texas and nationally, according to calculations based on New York Fed Consumer Credit Panel/Equifax data.<sup>16</sup>

The total number of student loan borrowers with outstanding balances in Texas was little changed during the first year of the pandemic (*Chart 5*).

### Disrupted Education

Enrollment for postsecondary education has declined broadly during the pandemic. A particularly large drop in community college enrollment reflects the sensitivity to pandemic disruptions for lower-income and minority students, who represent a large share of students at these schools.

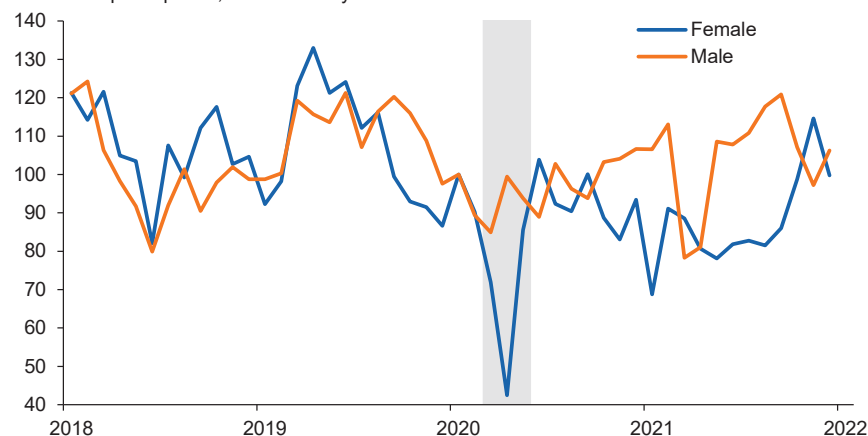
Community colleges serve as a relatively affordable entry to general education and skills training, with graduates able to transfer to traditional universities to continue their education. As a result, the lower enrollment may lead to a less-prepared labor force that lacks education and skills for the workplace and produces fewer students for traditional four-year institutions.

The gender gap in college enrollment also widened during the pandemic. Among women, likely burdened by

# CHART 4

## Texas Male Young Adult Labor Force Participation Generally Exceeds Female Rate in Pandemic

Labor force participation, index January 2020 = 100\*



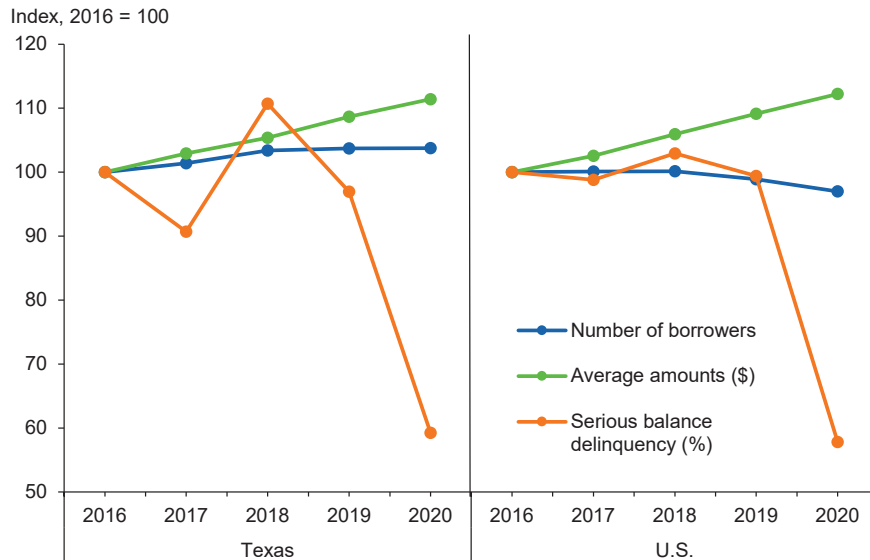
\*Seasonally adjusted.

NOTES: Rates shown are for Texas, ages 18–24. Data are through December 2021. Gray bar shows the initial onset of the pandemic, March–May 2020.

SOURCE: Bureau of Labor Statistics, Current Population Survey.

## CHART 5

### Student Loan Forbearance Slowed Pandemic Delinquencies



NOTES: Serious delinquencies are the percent 90+ days past due (including defaults), based on total outstanding balance. Student loans include both federal student loans and private student loans.

SOURCES: Federal Reserve Bank of New York Consumer Credit Panel/Equifax; authors' calculations.

family care responsibilities during the pandemic, community college enrollment declined.

However, the enrollment decline for men was much larger than for women, reaffirming a long-term trend of lower higher-education enrollment for men.

More young men joined the workforce, likely because of higher wages offered for lower-skill positions. Skipping college can, however, reduce lifelong earnings and lead to fewer job opportunities in the long term.

*Di is a senior research economist in the Research Department of the Federal Reserve Bank of Dallas.*

*Caldwell is a research analyst in the Research Department at the Federal Reserve Bank of Dallas.*

## Notes

<sup>1</sup> "Current Term Enrollment Estimates, Fall 2021," the National Student Clearinghouse Research Center, Jan. 13, 2022, <https://nscresearchcenter.org/current-term-enrollment-estimates/>. The Clearinghouse data account for 97 percent of all enrollments at Title IV, degree-granting institutions in the U.S.

<sup>2</sup> Texas community college enrollment rose 2.1 percent

in 2021 from the sharp decline in the pandemic's first year. Public and private nonprofit four-year enrollment increased slightly in fall 2020 but fell in fall 2021.

<sup>3</sup> In the September 2020 survey, about 19.6 percent of respondents had adults in the households with postsecondary education plans. In the September 2021 period, that share dropped to 16.2 percent. The survey's response rate declined over the two periods, which may imply substantial nonresponse biases, [www.census.gov/programs-surveys/household-pulse-survey.html](http://www.census.gov/programs-surveys/household-pulse-survey.html).

<sup>4</sup> The percentages are higher than enrollment estimates from the National Student Clearinghouse or from the Integrated Postsecondary Education Data System because not all with a college plan applied to college or got admitted. The Pulse responses are self-reported.

<sup>5</sup> Survey questions are specific to the pandemic, so there are no comparable prior data about plan changes.

<sup>6</sup> "Skipping School: Enrollment Numbers Down for Students Ages 16–24 During Pandemic," by Anna Crockett and Jason Saving, Federal Reserve Bank of Dallas *Dallas Fed Communities*, Jan. 24, 2022, [www.dallasfed.org/cd/communities/2022/0124](http://www.dallasfed.org/cd/communities/2022/0124).

"Employment Numbers Suggest Young People Face Barriers in Recovery from Pandemic," by Anna Crockett and Jason Saving, Federal Reserve *Dallas Fed Communities*, Dec. 9, 2021, [www.dallasfed.org/cd/communities/2021/1209](http://www.dallasfed.org/cd/communities/2021/1209).

<sup>7</sup> Women's enrollment declined at a similar rate as the prepandemic rate at public or private nonprofit four-year institutions. See the eighth column in Table 8 in

"Overview: Fall 2021 Enrollment Estimates," by the National Student Clearinghouse Center. The preliminary Texas enrollment data are not broken down by gender.

<sup>8</sup> "The She-Cession by the Numbers," by Liz Elting, *Forbes*, Feb. 12, 2022, [www.forbes.com/sites/lizelling/2022/02/12/the-she-cession-by-the-numbers/?sh=d0efb2105309](http://www.forbes.com/sites/lizelling/2022/02/12/the-she-cession-by-the-numbers/?sh=d0efb2105309).

<sup>9</sup> "The Homecoming of American College Women: The Reversal of the College Gender Gap," by Claudia Goldin, Lawrence F. Katz, and Ilyana Kuziemko, *Journal of Economic Perspectives*, vol. 20, no. 4, 2006, pp. 133–156. Developmental and behavioral differences are suggested.

<sup>10</sup> The National Student Clearinghouse includes only degree-granting institutions, while the National Center for Education Statistics data also cover nondegree-granting institutions. There are also reporting period differences between the two.

<sup>11</sup> The trend is noisy due to a small sample size.

<sup>12</sup> The U.S. Department of Education extended the payment pause to May 1, 2022. All federal loans qualify except for Perkins loans not held by the department, <https://studentaid.gov/announcements-events/covid-19>.

<sup>13</sup> "The Early Effects of the COVID-19 Pandemic on Consumer Credit," Consumer Financial Protection Bureau Office of Research Special Issue Brief, August 2020. Loans not in default under this "administrative forbearance" include previously delinquent ones, which are considered current. Nonpayment has no negative impact on borrowers' credit, [https://files.consumerfinance.gov/f/documents/cfpb\\_early-effects-covid-19-consumer-credit\\_issue-brief.pdf](https://files.consumerfinance.gov/f/documents/cfpb_early-effects-covid-19-consumer-credit_issue-brief.pdf).

<sup>14</sup> "Trends in College Pricing and Student Aid 2021," The College Board, accessed March 4, 2022. Student loans are one of the major sources of funds for postsecondary education. However, the percent of student loans as a share of the college costs have gradually declined from 40 percent to 30 percent, as grants become more available. Grants increased from 49 percent to 64 percent of total funds, <https://research.collegeboard.org/trends/student-aid>.

<sup>15</sup> "Student Loan Repayment During the Pandemic Forbearance," by Jacob Goss, Daniel Mangrum and Joelle Scally, Federal Reserve Bank of New York *Liberty Street Economics*, March 22, 2022, <https://libertystreeteconomics.newyorkfed.org/2022/03/student-loan-repayment-during-the-pandemic-forbearance/>

<sup>16</sup> The New York Fed Consumer Credit Panel/Equifax is a nationally representative anonymous random sample from Equifax credit files. It tracks all consumers with a U.S. credit file residing in the same household from a random, anonymous sample of 5 percent of U.S. consumers with a credit file. Equifax data assets are used as a source but all calculations, findings and assertions are those of the authors.



Looking back at a past *Southwest Economy* article from a decade ago, with updates on what has happened since.

## Shale Oil Boom Gave Permian Basin a Second Life

**D**uring the first four months of 2012, the average monthly price of benchmark West Texas Intermediate crude oil stayed stubbornly above \$100 per barrel, creating anxiety then, as now, about higher energy prices.

We look back a decade ago as *Southwest Economy* told of the rebirth of the Permian Basin as part of the shale oil boom in “Permian Basin Booms as New Techniques Resurrect Old Sites.”<sup>1</sup>

The Permian Basin, home to many of America’s oldest oil fields, covers 75,000 square miles of West Texas and southeastern New Mexico. Discovered in 1921, the formation has produced more than 40 billion barrels of oil, including much of the oil used during World War II. Until recently, the Permian Basin’s biggest challenges were to slow the loss of production—which began ebbing in 1973—while squeezing out the last 30 billion barrels of “mobile” oil as economically as possible. That was before innovation, technology and \$100-per-barrel oil offered the aging fields a new future.

The breakthrough arose in the Midland area’s Spraberry oil field, among the Permian Basin’s most venerable locations. Spraberry formations were fractured for decades, usually in one or two zones, for vertical wells. The innovation: drilling vertically while emulating the multi-stage fracturing typical of horizontal wells. The result spawned a boom in the eastern Permian Basin in 2005, reversing years of decline.

The Permian Basin’s second chance at new life parallels earlier development of the Eagle Ford in

South Texas. Horizontal drilling and fracturing could produce oil from shale—and the western Permian Basin is rich in shale. The Delaware Sub-basin encompasses the Hobbs area of southeastern New Mexico and four counties of West Texas.

Shale development is just beginning in the Delaware. A Texas General Land Office lease auction in April 2011 brought a bid of \$3,264 per acre for 30,000 acres, compared with an average bid of \$906 per acre six months earlier.

**Update:** By 2016, as the industry emerged from the largest oil bust since 1986, business-to-business acreage transactions in the Permian ranged from \$7,000 to \$58,000 per acre. Two years later, some positions sold for as much \$70,000 an acre, according to estimates. In 2021, after the COVID-19 bust, large acquisitions were being priced at closer to \$10,500 per acre.

Partly because these developments are relatively new, production data don’t yet reflect the magnitude of the changes. Oil production in the Delaware during 2011 was 13 million barrels above that in 2008, while natural gas production declined significantly.

**Update:** Oil production in the Delaware reached 751.2 million barrels in 2019. Natural gas output increased 2.43 trillion thousand-cubic feet (Mcf) from 2008 to 2019. In 2020, the Delaware Sub-basin produced 660 million barrels of oil and 2.96 trillion Mcf of natural gas.

As production has grown in the Eagle Ford and Bakken oil shale regions, a shortage of infrastructure to

### SpotLight Shale Oil Exploration Permian Basin Booms as New Techniques Resurrect Old Sites

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The Permian Basin’s second chance at new life parallels earlier development of the Eagle Ford in South Texas (see related article, page 2). Horizontal drilling and fracturing could produce oil from shale—and the western Permian Basin is rich in shale—instead of concentrating only on the remaining 30 billion barrels of mobile oil.

The Delaware Sub-basin encompasses the Hobbs area of southeastern New Mexico and four counties of West Texas and is home to the Anadarko and Wolfcamp shale, as well as three layers of base Spring shale. Together, they provide rich sources of oil and natural gas liquids.

Shale development is just beginning in the Delaware. A Texas General Land Office lease auction in April 2011 brought a bid of \$3,264 per acre for 30,000 acres (\$918 billion in total), compared with an average bid of \$906 per acre six months earlier. Drilling on the Eagle Ford model, the Delaware offered shale rich in liquids, plus well-developed infrastructure and

wellfire increasingly came to look like the lateral section of a horizontal well. The result spawned a boom in the eastern Permian Basin in 2005, reversing years of decline.

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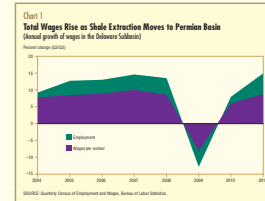
shale later, heralding a major transition. Partly because these developments are relatively new, production data don’t yet reflect the magnitude of the changes. Oil production in the Delaware during 2011 was 13 million barrels above that in 2008 (when the price peaked), while natural gas production declined significantly. Revenue from oil and gas production increased \$1 billion from 2008 to 2011.

As production has grown in the Eagle Ford and Bakken oil shale regions, a shortage of infrastructure to transport the product to market has been a key constraint. Moving new natural gas liquids to the Louisville-based petrochemical market on the Gulf Coast has proved the greatest problem. The major Permian Basin, with a rich infrastructure in place, enjoys the advantage of expanding on existing transportation systems rather than starting from scratch. And significant expansion is under way, with new gathering systems and fractionation capacity in the Anadarko shale. Additionally, a rail terminal and several pipelines are under construction to move product to Houston.

The stories of the Permian Basin’s tight labor markets are the stuff of legend—restaurants half-open for lack of workers, the local fast-food place importing wait staff from eastern Europe. Labor markets in the Delaware were tight before the shift to shale began, and they remain so. A 15 percent increase in total wages last year was driven by a 6.2 percent jump in employment, accompanied by an 8.8 percent increase in wages paid per worker (Chart 1). Labor shortages in the Anadarko oil sector drove local wage increases, leaving other sectors to compete for workers.

And that nearly frolic activity level is increasing. Drilling in dry gas-producing areas such as the Barnett and Haystack shale regions significantly pulled back following the collapse of natural gas prices to nearly \$2 per thousand cubic feet during the winter. Production and service companies are rapidly drilling rigs and hydraulic fracturing crews into shale rich in oil and natural gas liquids. Thus, while overall drilling activity has cooled in recent months, the Permian Basin has picked up the pace.

—Robert W. Gilmer and Jesse B. Thompson III



*Southwest Economy*, Second Quarter 2012

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**Update:** By 2022, total Permian Basin takeaway capacity had expanded to more than 6 million barrels per day from less than 2 million a decade prior.

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**Update:** On average, the unemployment rate was more than 1.3 percentage points lower in the Midland–Odessa area than the state in the 2010s—including during the disastrous 2015–16 oil bust. In December 2021, metro unemployment was 5.6 percent versus 5 percent statewide.

—Updates from Jesse Thompson

### Note

<sup>1</sup> “Permian Basin Booms as New Techniques Resurrect Old Sites,” by Robert W. Gilmer and Jesse B. Thompson, Federal Reserve Bank of Dallas *Southwest Economy*, Second Quarter, 2012.

*A Conversation with Fabiola Luna*

## Cross-Border Manufacturing Rises from Pandemic Lows

*Fabiola Luna became president of the Association of Maquiladoras, Index Ciudad Juárez, in 2021. The trade group represents manufacturing facilities along the U.S.–Mexico border that import components, assemble them and export finished products. She spoke about cross-border trade and the impact of the pandemic.*

### **Q. Why do we call it cross-border manufacturing?**

It is an industry mainly located along the U.S.–Mexico border, making easy the logistics for international trade. All raw materials get to Mexico on a temporary basis and then are used in the manufacturing process and exported back to the U.S. Since Texas borders several Mexican states, it is the main intermediary for U.S.–Mexico manufacturing trade.

Ciudad Juárez is particularly important because it was here where the maquiladora model was born back in the 1960s, and since then it has been the economic backbone of the border region.

Ciudad Juárez has 320 plants employing 330,000 workers. About 60 percent of all maquiladora jobs in the state of Chihuahua are in Ciudad Juárez. Originally, maquiladora plants were in industrial parks close to international border crossings, but currently they are all over the city.

### **Q. How do maquilas figure into what U.S. consumers see in the marketplace?**

Our main maquiladora industry is the automotive sector. It represents 38 percent of employment in first quarter 2022. We manufacture all kinds of auto-related products, such as seat covers, seat belts, battery cables and wiring harnesses. So, practically all cars U.S. consumers own have a component made

in Ciudad Juárez. We also manufacture top-of-the-line all-terrain vehicles (ATVs), refrigerators, washing machines, medical surgical devices and even candies. The popular Brach's candies are made here.

### **Q. How have goods changed in the past 20 years?**

What we produce now is completely different from what we made 50 years ago. Our manufacturing processes have also evolved with new technologies. For example, some of our plants include high-tech robotics; some have automated processes with a good mix of traditional labor and robots.

We are even adopting the technology needed to supply electric vehicle production. We also have plants that manufacture for Apple, including the iPhone, the MacBook and AirPods. We are manufacturing the electronic products that have become essential. The [maquiladora] industry has evolved at the pace required by the companies and markets we serve. Nevertheless, our industry continues to be labor intensive with a good mix of automation and a more skilled labor force.

### **Q. How has the pandemic affected cross-border manufacturing?**

We still have supply-chain issues, mainly in the automotive and electronics sectors. If our clients can't produce

due to supply-chain issues, we don't get the production orders for the components we manufacture here.

At the beginning of the pandemic—between March and April of 2020—our industry had to close for more than two months. The government mandated the closure of nonessential business, so the only essential industry in town was medical device manufacturing.

Eventually, we negotiated with the government, and industries such as auto and electronics got the essential designation due to increased demand from the U.S. In addition, we had to continue paying 100 percent of the salary to our workforce during the months that we were closed—on top of all fixed costs. Even now, with reduced production orders, our payrolls must remain unchanged.

The main challenge was to keep the workforce safe from COVID-19. We had to adjust our manufacturing processes to follow domestic and international safety standards, such as social distancing between workers. When vaccines were available domestically, we, in coordination with local and federal authorities, made sure most of the workforce got vaccinated.

Once we had the vaccination process under control, supply-chain issues arose. Our production orders were significantly reduced. We did not have enough raw materials and components; we did not have truck drivers. Even though the international bridges were open for international trade, we did not have product to send. In fact, we are still dealing with supply-chain issues, although we expect that they could get resolved by mid-2022.

During the worst days of the pandemic—before vaccines were available in Mexico—we collaborated with the Mexico consulate in El Paso, El Paso city government and U.S. Rep. Veronica Escobar to organize a massive vaccination campaign for the industry.

Officials from both sides of the border were amazed how orderly the process was. We vaccinated about 400 people every 30 minutes. We ended up vaccinating 33,000 people between July 6 and July 31. Even though it only represented



► *Some of our plants include high-tech robotics; some have automated processes with a good mix of traditional labor and robots.*

10 percent of our labor force, it helped to buy time until we got vaccines from the Mexican government.

The future for the industry in our region is encouraging. There is a lot of expected future demand for products that will be incorporated into new technologies, such as those for electric vehicles, but it all depends on investment decisions that must take place now in order to produce in 2023 and 2024. However, it is hard to plan under the current [January 2022] COVID-19 situation.

#### **Q. What measures is the industry taking to keep up with U.S. demand two years into the pandemic?**

It has been very complicated; we are monitoring our orders almost by the minute because such orders can change several times during the day. We are efficiently utilizing all that we have available such as labor, components/raw materials [and] financing and always looking for additional business around the world. We are always monitoring current economic conditions in the U.S. because as soon as there is an increase in demand, we will see our production orders growing.

Something we have learned during the pandemic is that we do not depend 100 percent on the U.S. market. We have learned to cope with reduced demand from our principal client, and we have diversified our business at the same time.

#### **Q. As the U.S. talks of “reshoring” manufacturing to ease supply-chain issues, is cross-border manufacturing getting more attention?**

There is some discussion about how to bring back manufacturing processes to the region in order to make North

America more self-sufficient. There are high-level talks looking at ways to manufacture some components in Mexico and in the U.S. that are currently imported from other regions of the world. We are in constant communication with our clients and looking at ways to fix, in the short run, what we have experienced during the pandemic.

#### **Q. How do United States–Mexico–Canada Agreement (USMCA) trade rules challenge collaborative arrangements?**

Before the USMCA was enacted [July 1, 2020], we were taken into consideration and our concerns noted. In theory, the majority of our demands were included in the negotiations. Several of the new requirements—such as the new rules of origin—will take place gradually, giving us time to adjust. So far, it is really hard to measure the effects of USMCA on our bottom line given the pandemic.

Hopefully, once the pandemic is over, we will have time to assess how the USMCA will affect our business and how we could find ways to minimize the impacts, always working closely with our clients to keep our cross-border manufacturing system well-oiled.

#### **Q. Are recent Mexican domestic policies, such as minimum-wage increases, affecting the maquiladora industry?**

In every new administration, there are new laws with which to comply, and this [Andrés Manuel López Obrador] administration is no exception. We are kind of used to it. So, what we do every time is inform the new government how new laws would impact our business.

We were not significantly impacted by the new minimum-wage law requir-

ing increases of more than 50 percent in 2019 because we were already paying more than two times the minimum wage. We doubled the minimum wage to the very few workers who were making only minimum wage, and we had to adjust our payroll salary ranges.

We also had to inform our workers that the mandatory wage increases were for minimum-wage earners only, not for all employees. However, subsequent minimum-wage increases in 2020 (5 percent), 2021 (15 percent) and 2022 (22 percent) are impacting the industry.

We are negotiating with the federal government regarding strategies to limit wage increases in the succeeding years given that, in the border region, we already pay what the new mandatory increases are trying to reach.

#### **Q. Is the region ready to go to the next phase of manufacturing, one that may require advanced materials and software development?**

We have great expectations for the future regarding new technologies and manufacturing processes for electric vehicles. Practically all automotive plants in our region are already working on different projects with their respective clients.

Such manufacturing projects could materialize in 2023 or 2024. For example, we are working on the new wiring systems that the new models will require and assessing what new tools, materials [and] even manufacturing space we may require. We are already including in our budgets today what we may need two years from now despite the hard times we have gone through during the pandemic.

# Turbulent Economy Tests Texans Who Lack Financial Knowledge

By Emma Marshall, Pia Orrenius and Michael Weiss

**ABSTRACT:** Texans continue to trail the nation in financial literacy as measured by the National Financial Capability Study. The Legislature has taken steps to enhance personal finance instruction in a bid to improve performance. Studies show a lack of financial literacy can have lifelong effects, though some argue the assessment underscores structural and economic barriers that impede some population segments.

Navigating personal finance has rarely been more challenging than today, as the world economy attempts to move past the COVID-19 pandemic and manage the fallout from the Russia-Ukraine war. The end of pandemic stimulus, rising inflation and interest rates, increasing rents and the pending resumption of student debt repayment obligations will test many households' checkbook agility.

Making informed decisions about one's income and expenses requires a degree of financial literacy—"the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being."<sup>1</sup>

Studies have shown that financial literacy improves household financial outcomes involving saving, investing and debt.<sup>2</sup> To provide an indicator of the extent of the public's knowledge, the Financial Industry Regulatory Authority (FINRA), a brokerage and exchange markets oversight organization, periodically surveys individuals

across the country about their financial literacy.

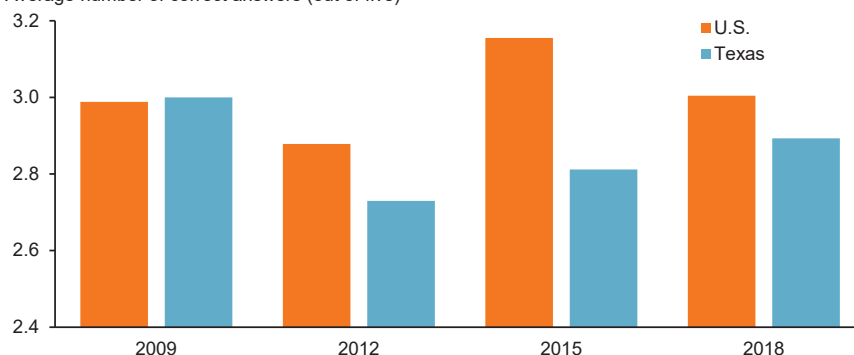
In FINRA's most recent "National Financial Capability Study in 2018," Texas' performance ranked 43rd among the 50 states and District of Columbia. A five-question quiz that is part of the overall survey tests knowledge of bond prices and interest rates, mortgages, compound interest and portfolio diversification and provides a top-level assessment of financial literacy. While the survey tests overall financial literacy, its questions may be outside the usual experience of certain demographic groups who lack experience with financial instruments such as stocks and bonds.

The average Texas quiz score has improved little since 2012 when the state ranked 45th—a result detailed in *Southwest Economy* in 2016.<sup>3</sup> The 2018 quiz—which was taken nationwide by 25,000 adults—found that Texans have consistently trailed the nation in their ability to understand personal finance

CHART  
1

Texas Falls Short on Financial Literacy, Trails the U.S

Average number of correct answers (out of five)

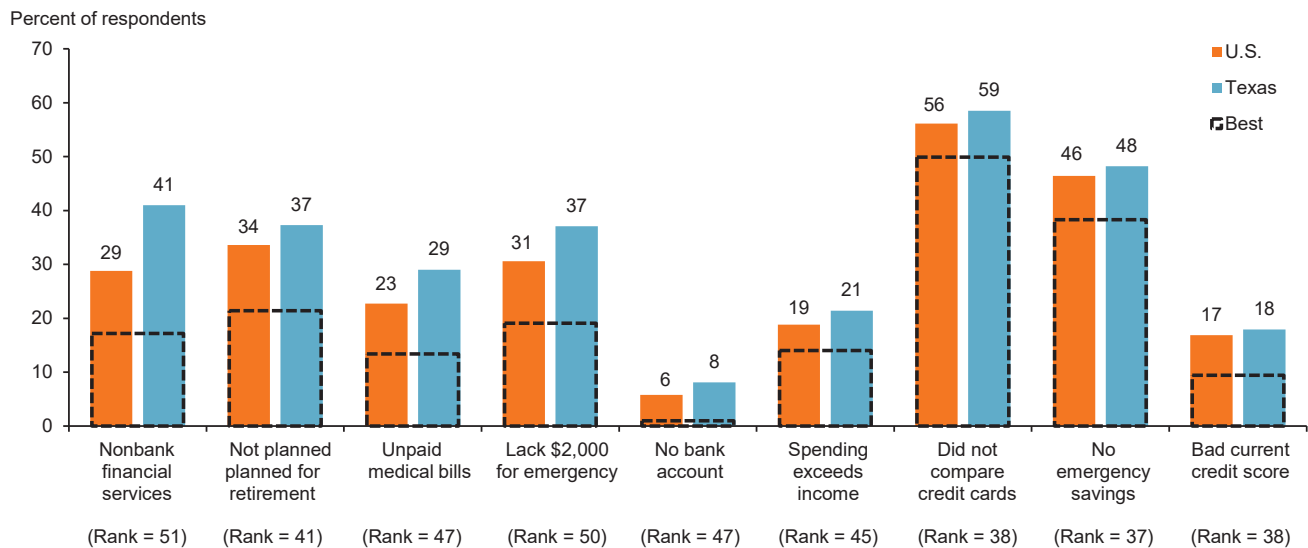


SOURCE: Financial Industry Regulatory Authority, National Financial Capability Survey.



## CHART 2

### Texas Ranks Below U.S. in Financial Planning



NOTES: The Texas state ranking is in parentheses and includes the District of Columbia (51=worst). "Best" indicates percent for the state where "Rank = 1." Dashed lines show the percentages of those states with the top scores. Respondents to the "No emergency savings" category said they lacked confidence they could cover expenses for three months. SOURCE: National Financial Capability Study 2018.

over the past decade (*Chart 1*).<sup>4</sup> Notably, the Texas–U.S. gap has shrunk over the past three surveys.

### Teaching Financial Literacy

Texas lawmakers have recognized the importance of financial literacy, as well as the state's lagging performance. As a result, they have passed measures twice in the past 15 years to address the subject in K-12 schools, though falling short of fully requiring and funding instruction.

In 2007, Texas mandated students have access to elective courses on personal finance and that required material be integrated into preexisting classes, "including instruction in methods for paying for college and other postsecondary education and training."<sup>5</sup> Supporting coursework was added to the curriculum in 2016. The state has also supported annual events such as financial literacy month in April.

The 2021 Legislature revised social studies curriculum requirements for high school programs to provide stu-

dents the option to complete one-half credit in personal financial literacy and economics as an alternative to one-half credit in just economics.

The law also requires that the Texas Education Agency, which oversees public primary and secondary education in the state, develop a list of free, publicly available materials for school district use in personal finance and economics classes. It also instructed the agency to seek private and public grant money in support of this curriculum.

Notwithstanding the state's efforts, Texas still falls short of the nation on financial literacy.

### Financial Outcomes Suffer

FINRA's 2018 survey also gathered information on the personal finances and financial vulnerability of households. Texas' low financial literacy rate is correlated with poor outcomes on such measures. For example, 8 percent of Texans don't have bank accounts compared with 6 percent nationwide, and 41 percent use nonbank financial services, a far higher share than the 29

percent nationally (*Chart 2*).<sup>6</sup> Nonbank financial service companies include payday lenders and pawn shops, as well as much larger entities such as nonbank mortgage lenders.

FINRA also found that 48 percent of Texans had not set aside money for emergencies that would cover expenses for three months in case of sickness, job loss, economic downturn or other emergencies—ranking the state 37th in the nation.

Another indicator of financial health is retirement planning. In the survey, 37 percent of Texas participants said they lacked a retirement plan through a current or previous employer compared with 34 percent nationally.

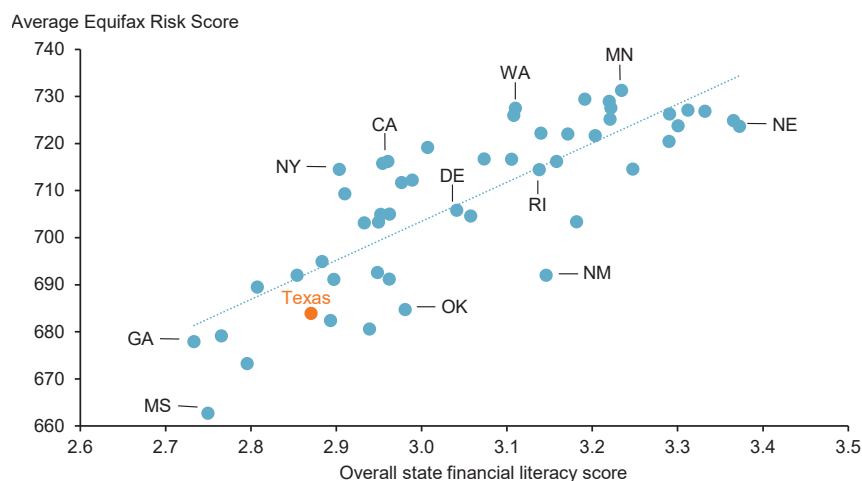
In addition, 18 percent of Texas respondents in the 2018 FINRA survey reported that their current credit score was "bad" or "very bad"—putting the state in 38th place. Nationally, 17 percent of respondents similarly assessed their credit scores.

Equifax Risk Score data, available through the New York Fed Consumer Credit Panel/Equifax, can be used to



## CHART 3

### States' Financial Literacy, Equifax Credit Scores Highly Correlated



NOTE: Financial literacy score indicates average score on a five-question test.

SOURCES: Federal Reserve Bank of New York Consumer Credit Panel/Equifax Data; Financial Industry Regulatory Authority, National Financial Capability Survey; authors' calculations.

assess correlation between FINRA quiz scores and risk/credit scores at the state level.<sup>7,8</sup> If the quiz questions are accurately gauging financial literacy among a representative sample of the state's adults, then there should be a clear positive correlation with Equifax Risk Scores. Chart 3 indicates that states with lower FINRA quiz scores also have lower risk scores, on average.

However, consumers who don't have credit relationships that would be the basis of credit reports tend to be over-represented in states such as Texas, with large minority, low-income and immigrant populations.

### High Debt Collections

Difficulty managing payments, whether on a car loan or a utility bill, can result in borrowers being subject to debt collection. An Urban Institute 2020 survey showed that 41 percent of Texas residents were subject to debt collection, the second highest in the country behind Louisiana.<sup>9</sup> By comparison, Minnesota had the fewest collections, 14 percent, followed by South Dakota at 16 percent.

One reason Texas ranks high in debt collection is due to medical debt

referred to collection, placing the state 48th of the 50 states and the District of Columbia. Only three states ranked worse than Texas: West Virginia, South Carolina and Louisiana.

Medical debt likely reflects Texas' low level of health insurance coverage. The state has the highest share of uninsured working-age adults in the nation at 21 percent. This is a longstanding problem and may have slightly worsened when Texas opted out of the Medicaid expansion under the Affordable Care Act.<sup>10</sup> According to one study, Medicaid expansion in Texas would have insured an additional 1.3 million residents.<sup>11</sup>

However, medical debt will become a less notable portion of consumer debt. The nation's three largest credit reporting agencies plan to drop most medical debt from consumers' credit profiles due to systemic reporting errors on credit reports.<sup>12</sup>

In the FINRA survey, 74 percent of Texas respondents said they have health insurance, the lowest percentage among the states and the District of Columbia.<sup>13</sup> A total of 29 percent of Texas respondents claimed they have unpaid bills from health care, the fifth

highest in the survey group. Notably, this snapshot was taken before the COVID-19 pandemic and the financial strains it brought.

### Lacking Financial Tools

In the five-question quiz portion of the 2018 FINRA study, Texas answered 2.9 questions correctly on average, just below the overall U.S. score of 3.0 questions. Nebraska recorded the highest mean score at 3.4 (Chart 4).<sup>14</sup>

A majority of national and Texas respondents understood interest rates, inflation and mortgages; however, the majority of both groups did not fully understand portfolio diversification and how bond prices respond to changes in interest rates. The result has changed little since 2012.

Texas outperformed the U.S. on understanding that bond prices move in the opposite direction of interest rates—bond prices fall when interest rates rise. Among Texas respondents, 27 percent knew that, compared with 26 percent nationally.

### Explaining Poor Ranking

Financial literacy is correlated with a host of socioeconomic and demographic variables, including age, income, education, nativity and race/ethnicity.

Older people generally have more experience and, hence, familiarity with personal finances. The median age in Texas was 34 in 2018, making it the fourth-youngest state. Thus, the state's relative youth contributes to its relatively low financial literacy score.

Education is another important indicator of how well respondents perform on the quiz questions. Those who have some college education or higher will perform better than those with just a high school diploma or less.

Among states, Texas had the highest share of adults ages 25 and older with no high school diploma or equivalent in 2012, at about 17 percent—a figure that was little changed in 2018 and roughly the same as California. It bears noting the low levels of education in Texas overall are predominately due to immigration from low-education countries, such as Mexico. Among U.S.-born

Texans, educational attainment gaps vis-a-vis the nation are much smaller.<sup>15</sup>

Race and ethnicity also appear correlated with financial literacy. Blacks and Hispanics score lower than Asians and non-Hispanic whites, perhaps because of lower income and less education on average. Because low-income individuals have fewer resources, the consequences of bad financial decisions tend to be proportionately greater.

Among immigrants, many of them Hispanic, there are also language barriers and cultural differences. Texas has far higher shares of Hispanics and immigrants than the national average. Hispanic residents made up 39 percent of the Texas population in 2018, a share more than twice as large as that for the U.S. (18 percent). Meanwhile, immigrants overall comprised 17.2 percent of the Texas population in 2018, compared with 13.7 percent in the nation.

By comparison, Blacks accounted for 12.1 percent of the Texas population, close to the U.S. figure of 12.7 percent.

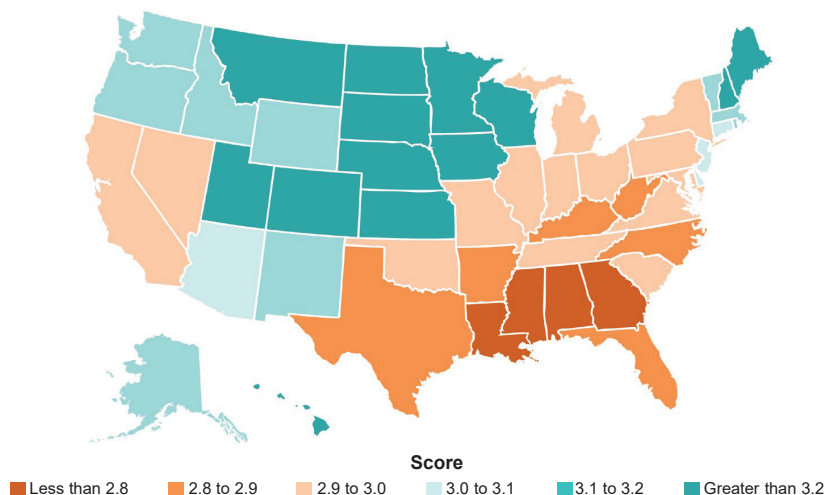
The pandemic has brought renewed attention to the need for financial literacy, much as the Great Recession did more than a decade ago. Even in the presence of government assistance, a national study of financial fragility following the onset of COVID-19 in 2020 discovered that feelings of financial insecurity were inversely related to financial literacy.<sup>16</sup>

COVID-19 led to greatest concerns of financial insecurity among respondents under age 60—women more so than men. Blacks' feelings of fragility exceeded those of Hispanics, both of which exceeded that of non-Hispanic whites. Subsequent pandemic-related economic difficulties tended to prove these anxieties correct, most affecting those who felt insecure, the study noted.

## A Lifelong Challenge

Lacking adequate financial literacy creates lifelong challenges to well-being and adds to the growing wealth gap. Those with lower financial literacy have a disadvantage when it comes to accumulating a financial cushion for an emergency or financial planning to build assets in the long run. Missed op-

**CHART 4** Financial Literacy Scores 2018



NOTE: Financial literacy score indicates average score on a five-question test.  
SOURCE: Financial Industry Regulatory Authority, National Financial Capability Survey.

portunities for homeownership, financial market investment or retirement savings bear costs for individuals and the communities in which they live.

Those who lack financial literacy are also less likely to understand when to take on debt and when not to, such as borrowing for higher education or to acquire a car.

To promote individual financial success and decrease wealth gaps, financial literacy education has become a priority. Two dozen state legislatures considered bills in 2021 amid the pandemic to bolster financial literacy education, an increase from four states two years prior.<sup>17</sup>

In Texas, the Legislature's action to increase financial education is part of the broader trend and an acknowledgement that more can be done.

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## Notes

<sup>1</sup> "2008 Annual Report to the President," President's Advisory Council on Financial Literacy, U.S. Treasury Department, Washington, D.C., p. 4, [http://www.treasury.gov/resource-center/financial-education/Documents/PACFL\\_ANNUAL\\_REPORT\\_1-16-09.pdf](http://www.treasury.gov/resource-center/financial-education/Documents/PACFL_ANNUAL_REPORT_1-16-09.pdf).

<sup>2</sup> "Measuring Financial Literacy," by Sandra J. Huston, *Journal of Consumer Affairs*, vol. 44, no. 2, 2010, pp. 296–316.

<sup>3</sup> "High School Financial Literacy Mandate Could Boost Texans' Economic Well-Being," by Camden Cornwell and Anthony Murphy, Federal Reserve Bank of Dallas *Southwest Economy*, First Quarter, 2016.

<sup>4</sup> When evaluating Texas' overall financial education, *The Nation's Report Card on Financial Literacy* gave Texas a "B," stating that requiring stand-alone personal finance courses could improve its standing, [www.thenationsreportcard.org/](http://www.thenationsreportcard.org/).

<sup>5</sup> Texas Education Code, Title 2, Subtitle F, Chapter 28, Subchapter A ("Essential Knowledge and Skills"), Section 28.0021 ("Personal Financial Literacy"), <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.28.htm#28.0021>.

<sup>6</sup> Additional data on financial outcomes by state are available through Propensity Now, a nonprofit seeking economic equity, <https://scorecard.prosperitynow.org/data-by-location>.

<sup>7</sup> The New York Fed Consumer Credit Panel/Equifax is a nationally representative anonymous random sample from Equifax credit files. It tracks all consumers with a U.S. credit file residing in the same household from random, anonymous sample of 5 percent of U.S. consumers with a credit file. Equifax data assets are used

# New Mexico Marijuana Legalization's Costs, Benefits Remain Unclear

By Keighton Hines and Pia Orrenius

**N**ew Mexico legalized recreational marijuana use last year, joining 17 other states. The state has begun licensing for commercial cultivation and retail sales despite existing federal marijuana prohibitions.

Proponents laud the benefits of legalization—greater access to marijuana's medicinal properties, a new source of tax revenue and job creation, and a decreased burden on law enforcement.

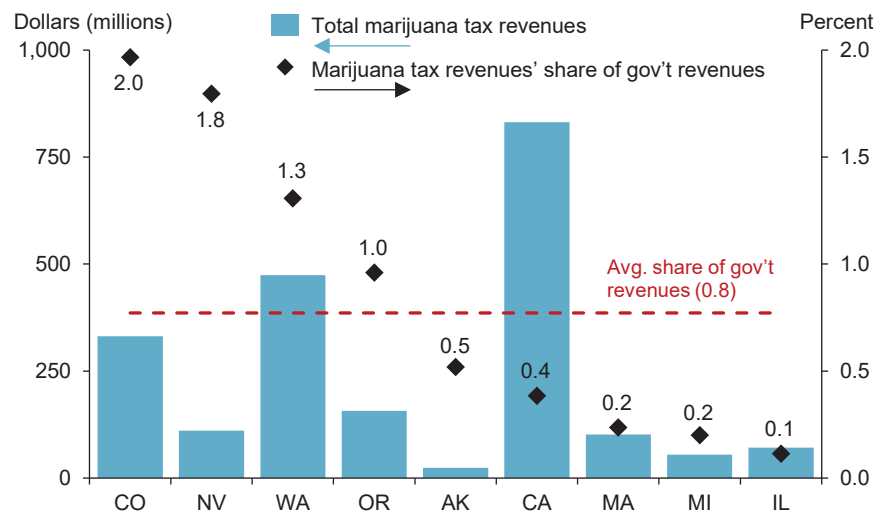
Critics argue legalization increases accessibility and use of marijuana, which are linked to adverse health effects, especially among chronic users. Anticipated benefits and costs partially offset one another, but there is considerable uncertainty around both.

Marijuana use and legalization are gaining acceptance. Nationally, the share of people age 12 or older reporting marijuana use rose from 11 percent in 2002 to nearly 18 percent in 2020.<sup>1</sup> New Mexico, at 18.7 percent, was near the national average in 2020, while Texas was below, at 12.5 percent. Those age 18 to 25 had the highest use rate, 34.5 percent, an increase of 4.7 percentage points since 2002.

Research on the health impacts of marijuana is limited and mixed.<sup>2</sup> Long-term, heavy use is linked to increased risk of several mental health conditions and respiratory complications. Short-term use may impair learning, memory and attention. Conversely, studies show marijuana is useful for treating symptoms accompanying chronic conditions such as pain, nausea, spasticity, convulsions, insomnia and post-traumatic stress disorder.

Supporters of marijuana legalization tout its economic benefits, including increased tax revenue. But states that have legalized and taxed recreational and/or medical marijuana earned on average just 0.8 percent of state revenues from it in 2020 (*Chart 1*). By comparison, sin taxes account for 2.8 percent of states' tax collections.

**CHART 1** Marijuana Taxes Remain Small Share of State Revenues



NOTES: Total marijuana tax revenues include excise and cultivation taxes, licenses and fees, and penalties from recreational and medical marijuana where applicable for fiscal year 2020. Government revenues exclude federal intergovernmental transfers, grants, reimbursements and contracts.

SOURCES: States' marijuana revenue reports and Annual Comprehensive Financial Reports; author adjustments.

While legalizing recreational marijuana may provide a small boost to New Mexico's tax revenue, it will not materially change the state's reliance on traditional industries, such as oil and gas. In addition, if consumers substitute marijuana for other taxed goods, realized revenues may fall short of projections. Marijuana tourism, meanwhile, could expand the consumer base and enhance tax revenues, benefiting the leisure and hospitality industry.

In setting marijuana tax rates, states try to meet several objectives. While higher prices can discourage use, they also risk pushing consumers into the black market. State tax regimes vary, and retail marijuana tax rates generally range from 10 to 21 percent. New Mexico specifies a 12 percent excise tax on recreational sales, with a 1-percentage-point increase annually beginning in July 2025 until reaching 18 percent in 2030.

Removing prohibitions on recreational marijuana sales will encourage investment in marijuana cultivation and retail outlets, creating jobs in construction,

manufacturing and retail, as well as in ancillary industries such as professional and business services. A significant industry growth barrier, however, is its lack of access to banking services and credit due to the federal marijuana prohibition.

Some hope marijuana could become a substitute for harmful prescription drugs, playing a part in curbing New Mexico's ongoing opioid epidemic. Ultimately, legalization is no panacea. Rather, it is an exercise in weighing costs and benefits and implementing an effective regulatory and public health oversight infrastructure.

## Notes

<sup>1</sup> "2019 and 2020 National Survey on Drug Use and Health," by the Center for Behavioral Health Statistics and Quality, Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services, 2020.

<sup>2</sup> *The Health Effects of Cannabis and Cannabinoids: The Current State of Evidence and Recommendations for Research*, by the National Academies of Sciences, Engineering and Medicine, Washington, D.C.: National Academies Press, 2017.

# Texas Reclaims Jobs Lost in Pandemic; Some Metros Still Trying to Catch Up

By Juliette Coia and Pia Orrenius

**A**s of December 2021, Texas had finally regained the 1.4 million jobs lost in the initial months of the pandemic. But many jobs in the latest count were not the same as the ones lost—and they were not in the same places either.

The recovery from the pandemic recession ushered in a massive reallocation of employment between industries with repercussions for different areas of the state. Austin and Dallas-Fort Worth are already well above their prepandemic levels of employment, but Houston, San Antonio and El Paso are not (*Chart 1*).

In May 2021, Austin became the first Texas metro to regain all jobs lost at the onset of the pandemic. The DFW region reached prepandemic employment levels in July. The boom in high-tech, financial activities, and professional and business services helped Austin and DFW come back sooner than their counterparts along the Gulf Coast and the border.

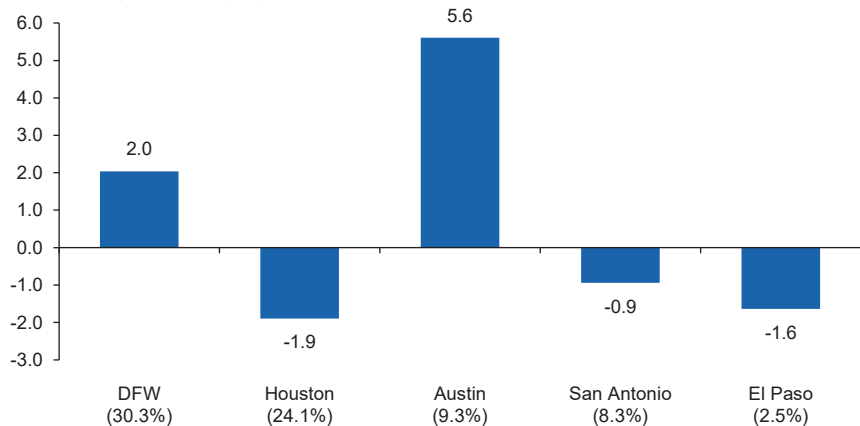
Employment in professional and business services in Austin is 18.0 percent higher than prepandemic levels, and financial activity employment has risen 10.9 percent. Across the state, these two sectors did not experience the same magnitude of growth as they did in Austin. Statewide employment is up 7.0 percent in professional and business services and 4.8 percent in financial activities. In many Texas cities, including El Paso, these sectors have yet to return to February 2020 employment levels.

Houston employment declined with the fallout in the energy industry in 2020 when the state's mining sector lost 28.3 percent of its jobs in seven months. At the end of 2021, energy still trailed other industries statewide and was down 20.3 percent (roughly 45,000 jobs) from prepandemic levels. San Antonio, with its outsized dependence on tourism and business travel,

**CHART 1**

Austin, DFW Are First Texas Metros to Recover All Lost Jobs

Percent change, seasonally adjusted



NOTES: Data refer to December 2021/February 2020 nonannualized job growth. Numbers in parentheses refer to share of state employment in December 2021.

SOURCES: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by Federal Reserve Bank of Dallas.

has also been slower to come back, reflecting the later-to-recover leisure and hospitality sector.

El Paso faced a series of obstacles starting with the U.S.-Mexico border shutdown beginning in March 2020. The 20-month closure led to steep declines in trade and the number of cross-border shoppers.

Overall, Texas job growth over the past two years has been robust, and the state is one of only four (including Arizona, Idaho and Utah) to have regained all jobs lost during the pandemic. Part of Texas' employment growth can be attributed to a large in-migration increase.

## Migrants Flocked to Texas

Relocation to Texas accelerated during the pandemic. Net migration was up 60 percent compared with prepandemic levels, increasing from 109,000 in the five quarters preceding the pandemic's onset in February 2020 to 174,000 people in the five quarters after the pandemic began.<sup>1</sup>

Austin and Dallas-Fort Worth were the two most popular destinations.

Dallas-Fort Worth drew 64,000 new residents, while Austin picked up roughly 48,000. The large gains in migration likely bolstered job growth in these metros, which have sizable high-tech sectors.

In Austin, the number of migrants from Silicon Valley (San Jose, California) and San Francisco doubled since the pandemic began. Combined, the two Bay Area metros were the largest source of Austin's newcomers.

In Houston, in-migration increased substantially over the course of the pandemic. Net in-migration to Houston was almost five times prepandemic levels, increasing from 4,000 people in the five-month prepandemic period to roughly 25,000 people during the pandemic. However, these numbers are quite small relative to the metro's population of roughly 7 million people.

## Note

<sup>1</sup> "Largest Texas Metros Lure Big-City, Coastal Migrants During Pandemic," by Wenli Li and Yichen Su, Federal Reserve Bank of Dallas *Southwest Economy*, Fourth Quarter, 2021, [www.dallasfed.org/research/swe/2021/swe2104/swe2104b.aspx](http://www.dallasfed.org/research/swe/2021/swe2104/swe2104b.aspx).

# Turbulent Economy Tests Texans Who Lack Financial Knowledge

*(Continued from page 13)*

as a source, but all calculations, findings and assertions are those of the author.

<sup>8</sup> "An Introduction to the New York Fed Consumer Credit Panel," by Donghoon Lee and Wilbert van der Klaauw, Federal Reserve Bank of New York Staff Reports, no. 479, 2010, [www.newyorkfed.org/research/staff\\_reports/sr479.html](http://www.newyorkfed.org/research/staff_reports/sr479.html).

<sup>9</sup> "Debt in America: An Interactive Map," Urban Institute. Data were updated March 31, 2021, from data assembled in December 2020. Accessed Feb. 10, 2022, [https://apps.urban.org/features/debt-interactive-map/?type=overall&variable=pct\\_debt\\_collections&state=48](https://apps.urban.org/features/debt-interactive-map/?type=overall&variable=pct_debt_collections&state=48).

<sup>10</sup> "Health Insurance Coverage in the United States: 2020," by Katherine Keisler-Starkey and Lisa N. Bunch, U.S. Census Bureau, September 2021, p. 9.

<sup>11</sup> "Medicaid Expansion's Impact in Texas," The

Takeaway: Policy Briefs from the Mosbacher Institute for Trade, Economics and Public Policy, vol. 11, no. 12, 2020, [https://bush.tamu.edu/wp-content/uploads/2020/09/V11-12\\_Texas\\_Medicaid\\_Expansion\\_Takeaway-new.pdf](https://bush.tamu.edu/wp-content/uploads/2020/09/V11-12_Texas_Medicaid_Expansion_Takeaway-new.pdf).

<sup>12</sup> "Most Medical Debt Will Be Dropped from Consumers' Credit Reports," by Aimee Picchi, CBS News, March 18, 2022. Medical debt is particularly prone to negotiation between providers and patients, which was a factor in the credit bureaus' decisions, [www.cbsnews.com/news/medical-debt-dropped-from-credit-reporting-health-care-bills/](http://www.cbsnews.com/news/medical-debt-dropped-from-credit-reporting-health-care-bills/).

<sup>13</sup> The American Community Survey estimates that 20.8 percent of residents under age 65 lack health insurance, [www.census.gov/quickfacts/fact/dashboard/TX/IPE120220](http://www.census.gov/quickfacts/fact/dashboard/TX/IPE120220).

<sup>14</sup> As part of the survey, a five-question quiz has been

part of the study since 2009. A sixth question was added in 2015 and 2016, asking respondents to estimate the effect of 20 percent compound interest over time. To maintain comparability, this question is not included in summaries of the national test results.

<sup>15</sup> "Gone to Texas: Immigration and the Transformation of the Texas Economy," Special Report, by Pia M. Orrenius, Madeline Zavodny and Melissa LoPalo, Federal Reserve Bank of Dallas, 2013, p. 5, [www.dallasfed.org/research/economy/-/media/documents/research/pubs/gonetx.pdf](http://www.dallasfed.org/research/economy/-/media/documents/research/pubs/gonetx.pdf).

<sup>16</sup> "Financial Fragility During the COVID-19 Pandemic," by Robert L. Clark, Annamaria Lusardi and Olivia S. Mitchell, AEA Papers and Proceedings, vol. 111, May 2021, pp. 292–96.

<sup>17</sup> "Pandemic Helps Stir Interest in Teaching Financial Literacy," by Ann Carns, *The New York Times*, April 2, 2021 (updated Aug. 27, 2021).



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